Daily Report

Latin America

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FBIS-LAT-94-189 *29 September 1994*

CONTENTS

NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication will be changed. All new indicators will begin with "FBIS" to make the material more easily identifiable. Some will also indicate whether the item has been translated from the vernacular or transcribed from English.
An Ω indicates a Foreign Media Note.

CARIBBEAN

Cuba

Minrex Discusses 'Operation Distant Shores' *[Havana Radio]* 1
Envoy to Mexico Cited on Migration, Economics *[LA JORNADA 27 Sep]* 2
Former Guantanamo Refugees Discuss Escapes From Base *[Havana TV]* 3
UNHCR Envoy Praises Role in Handling Haitian Refugees *[Havana TV]* 4
Russian Officer Criticizes U.S. Policy, Blockade *[Havana Radio]* 4
Joint Venture With Israel in Textile Industry *[PRENSA LATINA]* 4
Letter of Intent on Air Travel Signed With Argentina *[Havana Radio]* 5
Farming Cooperative Head Views Farmers Markets *[Havana Radio]* 5
Juan Contino Delivers CDR Anniversary Address *[Havana TV]* 5

Dominican Republic

Troops on Border With Haiti Return to Headquarters *[Madrid EFE]* 6

Haiti

Jonassaint Accuses U.S. of Violating 18 Sep Accord *[Madrid EFE]* 6
Senate President Opens Parliament, Thanks Clinton *[Port-au-Prince Radio]* 7
Session of Parliament Ends *[NOTIMEX]* 7
Chamber of Deputies Reports Legislators Threatened *[Port-au-Prince Radio]* 8
U.S. Troops Guard Parliament for Special Session *[Port-au-Prince Radio]* 8
Deputy Stresses 'No Room' for U.S. Forces in Parliament *[Port-au-Prince Radio]* 8
Senator Explains Colleagues' Failure To Meet *[Port-au-Prince Radio]* 8
FRAPH Attacks Demonstrators; 29 Sep Protest Noted *[Madrid EFE]* 9
Jonassaint Government Declares Days of Mourning *[AFP]* 10
Comments on Leaders' Continued Presence *[Paris LIBERATION 19 Sep]* 10

MEXICO

Salinas Issues Statement on Slaying of PRI Leader *[Mexico City Radio, TV]* 12
Zedillo Comments *[Mexico City Radio]* 12
PAN, PRD Leaders Denounce Attack *[Madrid EFE]* 12
PRD's Munoz Condemns Violence *[Mexico City TV]* 12
Electoral Tribunal Head Condemns Slaying *[Mexico City TV]* 13
PRI Issues Communique *[Mexico City Radio]* 13
Further Reaction to Assassination *[ACAN, etc.]* 13
Radio ACIR Reports Name of Suspected Assassin *[Mexico City Radio]* 14
Attorney General's Office Holds News Conference *[Mexico City Radio]* 14
Assassination Affects Stock Market *[Mexico City Radio]* 15
Bank Intervenes in Stock Market *[Madrid EFE]* 15
Marcos: EZLN Expects To Be Attacked 'At Anytime' *[LA JORNADA 28 Sep]* 16
Civic Alliance: 'No Fair' Play in Aug Elections *[Mexico City TV]* 16
Official Condemns Anti-Migrant Policies in California *[Mexico City TV]* 17
Authorized Banks Must Open Before New Permits Granted *[UNOMASUNO 27 Sep]* 17

CENTRAL AMERICA

El Salvador

Deputies React to Occupation of Assembly *[EL DIARIO DE HOY 28 Sep]* 18
Assembly Occupation Ends *[San Salvador Radio]* 19

Guatemala

UN Officials Working To Set Up Rights Commission *[Guatemala City TV]* 19

Honduras

Reina Rules Out Change in U.S. Ties Over Cuba *[NOTIMEX]* 20

Nicaragua

FSLN Elects Departmental Leadership Committee *[BARRICADA 26 Sep]* 20

SOUTH AMERICA

Argentina

Menem Continues Meetings, Speeches at UN 22
Meets With Israel's Peres *[TELAM]* 22
Reaffirms Sovereignty Over Falklands *[NOTICIAS ARGENTINAS]* 22
Holds News Conference *[NOTICIAS ARGENTINAS]* 23
Uruguay Airline To Begin Flight to Falklands *[NOTICIAS ARGENTINAS]* 24
Editorial Views Post-Invasion Haiti Situation *[CLARIN 27 Sep]* 24
Correction to Menem Urges Peronists To Support Program 24

Bolivia

Daily Views 'Repugnant' Haitian Invasion *[LA RAZON 20 Sep]* 24
Quiroga: DEA Will Not Leave; Calls for Cooperation *[HOY 23 Sep]* 25
Study Claims Cocaine Trade Employs 200,000 People *[EL MUNDO 18 Sep]* 26
Article Examines Freezing of Coca Eradication Program *[HOY 11 Sep]* 27
Commentary Views Problems in Coca Eradication Program *[La Paz TV]* 27
Imminent Changes Expected in High Military Command *[HOY 20 Sep]* 28

Brazil

Superior Electoral Court Rules on Exit Polls *[AGENCIA ESTADO]* 29
Cardoso Discusses Telecommunications, Informatics *[O GLOBO 26 Sep]* 29
Workers Party Telecommunications Program Explained *[O GLOBO 26 Sep]* 30
Cardoso, Lula View Privatization, Other Issues 30
Social Security System *[JORNAL DO BRASIL 14 Aug]* 30
Big Public Works Projects *[JORNAL DO BRASIL 21 Aug]* 31
Your First Decision *[JORNAL DO BRASIL 28 Aug]* 32
A Majority in Congress *[JORNAL DO BRASIL 4 Sept]* 32
Navy Research Center Dismisses Nuclear Workers *[AGENCIA ESTADO]* 33
Commentary Views 'Cynicism' of U.S. Interventions *[FOLHA DE SAO PAULO 24 Sep]* 33
Changing Relations With Argentina Examined *[O ESTADO DE SAO PAULO 12 Sep]* 34

Chile

Government To Send 50 Policemen to Haiti *[Madrid EFE]* 35
Insulza Proposes Council Candidacy in UN Speech *[Santiago TV]* 35
National Sovereignty Over Coastal Waters Upheld *[EL MERCURIO 13 Sep]* 36

Colombia

ELN Clandestine Radio Outlines Peace Talk Terms *[EL TIEMPO 22 Sep]* 36
Cali Residents Gauge Impact of Drug Trade *[EL PAIS 15 Aug]* 37
Drug Trade, Deaths Said Possibly Linked *[EL PAIS 16 Aug]* 38
Recent Search Bloc Discoveries Reported in Cali *[Santa Fe de Bogota TV]* 39

Paraguay

Wasmosy Says 'Total Harmony' Reigns in Military *[Asuncion TV]* 39

Peru

Economy Minister Leaves for U.S., Europe *[Madrid EFE]* 40
Nonrepentant 'Terrorists' Face 'Drastic' Laws *[EL COMERCIO 10 Sep]* 40
APRA Militants in Interior To Resign in Protest *[EXPRESO 10 Sep]* 41

Uruguay

Highlights of President's Speech at UN *[Madrid EFE]* 41

Venezuela

Foreign Ministry Deplores Incident at Managua Embassy *[EL GLOBO 28 Sep]* 42
Fund Asks Courts To Declare Aeropostal Bankrupt *[Caracas Radio]* 42
Roundup of Economic Developments *[Hamburg DPA, etc.]* 43

Cuba

Minrex Discusses 'Operation Distant Shores'

FL2809153794 Havana Radio Progreso Network in Spanish 1100 GMT 28 Sep 94

[Interview with Carlos Fernandez de Cossio, director of the North American Office of the Ministry of Foreign Relations, Minrex, by correspondent Jose Mayo; place and date not given—live or recorded]

[Text] [Mayo] Thousands of Cubans who wanted to emigrate to the United States because of the intensification of the U.S. blockade abandoned our country, bound for the coasts of Florida on flimsy, primitive craft during August, bringing about the so-called rafter crisis. In view of the massive exodus of these economic emigrants, the Clinton administration, with electoral intentions, implemented Operation Distant Shores to impede their arrival on U.S. territory, as in 1980 with the so-called Marielitos. For that reason, more than approximately 30,000 rafters are being held in concentration camps at the Guantanamo Naval Base and other places without the right, according to statements by U.S. authorities, to benefit from the Cuban Adjustment Act of 1966. Through this act, they would have had the right to be considered political refugees, including those who had committed criminal acts of air and maritime piracy.

This complex, risky situation was created by Washington's anti-Cuban policy, which tried every means to encourage illegal departures in an effort to destabilize the Cuban Government. Nevertheless, for the United States, the shot backfired in this case because the so-called rafter crisis was solved at the negotiating table as Cuba had suggested.

On this, the so-called rafters crisis issue, as well as on its origin, development, and conclusion, we will hear from Carlos Fernandez de Cossio, director of the North American Office of Minrex and a member of the Cuban delegation to the recent talks with U.S. Government representatives in New York.

Fernandez de Cossio, in your opinion, what is the main cause of the so-called rafter crisis?

[Fernandez] Nonfulfillment of the 1984 agreements, the continued policy of the United States of encouraging illegal departures, at the same time refusing to grant visas, and of course, persistence in strengthening the economic blockade, which has the objective as they themselves have expressed of making life as miserable as possible in Cuba for the purpose of creating dissension and subversion within the country. This has been declared by them. They claim this as their objective. Therefore, a natural result of this is for people to decide to emigrate to the United States. They have been encouraged to do so by radio, and by various types of travel messages. People have therefore decided to take that route.

[Mayo] According to U.S. authorities, Operation Distant Shores was developed shortly after the departure of more than 100,000 Cubans from the Port of Mariel in 1980, to prevent another massive exodus of emigrants. We would like you to point out how this operation was implemented through the so-called rafter crisis.

[Fernandez] This operation was aimed at preventing a massive flow of emigrants like that of the Mariel or this recent exodus. From what we have been able to learn, it had certain advisory and alert systems. Evidently, if the purpose was for the United States to not have to assume responsibility for that flow of emigrants, then the Distant Shores operation was very inefficient in this case because the influx took place anyhow and the United States has to assume responsibility for all the people they have in the various concentration camps they created to shelter the Cubans who decided to emigrate.

Of course, designing a strategy like Distant Shores is a example of the simplistic superficiality with which this problem is viewed because their only goal is to stop the problem, not realizing that in Cuba's case the problems are much deeper.

The fact is that on a global level, there is a problem with a flow of emigrants to the north, from the South, or the underdeveloped countries. Europe has this problem and North America also has this problem. Cuba is not by any means one of the primary examples of this. Therefore, the socioeconomic situation in many countries is the basic cause that must be tackled if the world community wishes to stop or diminish the effects of the massive flux.

In Cuba's case, aside from being a Third World country, an underdeveloped nation, a country with cultural ties to the United States and with divided families, it is also a country that is waging war against an economic blockade, which I insist is designed—as they themselves have declared—to make life miserable for the Cuban people. Therefore, the logical result, or one of them is for people to want to emigrate to the United States. The Distant Shores operation is once again one of the examples of short- sightedness in looking at a problem that is much deeper and much more complex, and which exists today.

The migratory agreement is an approximation to establish a basis and to try to solve the problem from a specific angle. But the essence of the problem, the basic causes of the problems still exist because the economic blockade still exists, independent of what may have been agreed to on 9 September.

[Mayo] Several groups in the United States as well as groups from the Cuban emigre community residing in the United States have censured violation of the Cuban Adjustment Act of 1966 by the White House, that it was not applied to the Cuban rafters of this August. What is your opinion on this?

[Fernandez] The United States has not violated the law. The Cuban Adjustment Act really has validity after one

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year, after the person is admitted into the United States as a refugee, or with temporary permission to be inside that country. The Adjustment Act has not been challenged. The thing is that for a person to benefit from the features of the Adjustment Act, that person must be admitted as a refugee with temporary status in the United States. That is what they wanted to impede with the measures announced on 19 August.

On 19 August, the U.S. Government announced that no Cuban who leaves illegally will be admitted into the United States. That measure, adopted on 19 August, was later confirmed in the agreement. What on 19 August was a unilateral decision by the United States became an international agreement within the context of the 9 September agreement. In the agreement, it forms part of the package of measures or the package of understandings to deter or respond to this so-called rafter crisis.

[Mayo] Do you think the consequences of the so-called rafter crisis could affect the reelection aspirations of U.S. President William Clinton?

[Fernandez] The migratory issue has been receiving growing awareness within the United States in the last two or three years, especially in those states that historically, and even more so in recent times, are most affected by the migratory flows of foreigners to the United States. The State of Florida is one of them. A crisis similar to that of the Mariel would apparently cost them, or would exact a great political cost from any authority in power, be it Republican or Democrat or any other party.

The Democrats are currently the governing party in the State of Florida and elections are coming up in November. Now for Clinton and his team, it depends. Clinton has inherited an absurd policy on Cuba. So far, he has persisted in that policy. When rising voices are heard and important sectors are calling for a change in policy, the logical thing would be to review that absurd, criminal, and unfair policy against our country.

There are some who believe that a revision of the policy by Clinton would demonstrate or prove his qualities as a politician or his ability to govern the nation. Of course, those qualities and conditions are what determine, or what should determine, a person's election to the presidency. It is difficult to determine the exact influence of such a decision on the upcoming elections, which will be held in two years, because politics in the United States are fast-moving and are usually moved by short-range criteria and points of view.

[Mayo] To stop the massive exodus of Cuban rafters in August, the White House announced several punitive measures against Cuba, which accentuated the U.S. blockade. Fernandez de Cossio, do you think this retaliation interrupted ties between the Cuban emigre community in the United States and their relatives in Cuba?

[Fernandez] Well, I can say that of all the measures implemented, these are more in line with the economic blockade and are therefore contrary to the spirit of the 9 September agreement. A characteristic of these measures is that for the first time, they are aimed not only at Cubans inside Cuba, but are now affecting Cubans who do not live in Cuba as well. They are being denied the right to visit relatives, and to send economic assistance to their relatives. These measures are therefore different in nature.

The United States preaches that each human being has a series of rights, among which is the right to travel. The United States is probably the only country in the world, or one of the few countries in the world in which citizens are prohibited from traveling. U.S. citizens are prohibited from traveling to Cuba. But that is not all: The United States feels it has the right to prohibit Cuban citizens who live inside U.S. territory from traveling to their own country.

This was one of the measures announced on 20 August. This is something that history will have to register as an unwonted act of modern civilization: That a person can be denied the right to visit his own country by a decision of another country, and that he cannot maintain contact and relations with relatives who stayed behind in their homeland.

[Mayo] This has been an interview with Carlos Fernandez de Cossio, who discusses the origin, development, and conclusion of the so-called rafter crisis as part of a series of interviews on the U.S. migratory policy toward Cuba between 1959 and 1994.

Envoy to Mexico Cited on Migration, Economics

PA2809170794 Mexico City LA JORNADA in Spanish 27 Sep 94 p 10

[Report by Laura Gomez Flores]

[Text] The number of Cubans emigrating to the United States and Mexico, which currently stands at about 25,000, could increase in the upcoming days, Cuban Ambassador to Mexico Abelardo Curbelo Padron said yesterday. He assured that the island will grant every facility to those wishing to leave.

Current economic conditions facing Cuba because of the U.S. blockade have prompted many people to leave or want to leave in search of better opportunities, and the government of Fidel Castro will not stop them, he added.

Curbelo pointed out that the departure of 25,000 rafters does not weaken the Castro administration or hurt its international image; on the contrary, it has strengthened this image because it shows the international community that the revolution's work and its self-determination are prevailing despite the meddling of the Clinton administration, which is pushing for presidential elections.

After participating in the first international seminar entitled "Jose Marti and the 21st Century: Poetry and Politics," Curbelo said the 11 million people who are

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staying in Cuba will fight at every forum and take advantage of every opportunity to become an independent nation that can increase its association with foreign capital in a free market without implying a return of capitalism.

The ambassador said: "Redefining the world does not mean we will abandon our socialist concept. International socialism underwent a painful process in East Europe, but this does not mean it should be abandoned. In fact, just the opposite is true. It should be reinforced to guarantee our achievements, because capitalism cannot resolve our problems."

At the seminar, which concludes at the Autonomous Metropolitan University on 28 September, the Cuban ambassador to Mexico said he cannot count how much foreign capital has been invested in the country despite U.S. "persecution" to block foreign investors.

Most of the inflow of resources is coming from Germany, Sweden, France, Italy, Mexico, and Canada, and it is expected that other nations will soon join this revival project.

Former Guantanamo Refugees Discuss Escapes From Base

FL2909105194 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 29 Sep 94

[From the "NTV" newscast]

[Text] Cuban rafters try to return to Cuba from the Guantanamo naval base every day, despite the great danger the minefields present:

[Begin unidentified speaker recording] We will create a commission of division chiefs. [end recording]

Border guards risk their lives to rescue these rafters, who arrive via land and sea. They all comment upon their return that they not only were held in difficult and crowded conditions but also were mistreated by the Marines. They say they were jailed when they said they wanted to leave the base:

[Begin recording] [Major Alvarez Velez] Comrade brigadier general, three Cuban emigres returning from the base have been rescued. Nothing further to report. Group leader Major Alvarez Velez.

[Unidentified brigadier general] I congratulate you on your mission. Congratulations.

[Alvarez Velez] Comrade brigadier general, mission accomplished. Major Alvarez Velez, fortifications battalion chief.

[Unidentified brigadier general] In the name of the division chiefs and the head of the army, I congratulate you on your mission.

[First unidentified speaker] I escaped yesterday.

[Correspondent] When?

[First unidentified speaker] At around 1900, at dinnertime.

[Correspondent] From where did you escape? Jail?

[First unidentified speaker] From jail.

[Correspondent] How did you escape?

[First unidentified speaker] I was there. I did not know what to do. I really wanted to return to Cuba. I told myself: Shit, they really fucked me over this time. I was there for 14 days. They had neither released me nor taken me to a camp. I felt bad being held there. Some comrades then arrived. There were many of them...

[Correspondent, interrupting] Where were they? Did you find them in jail?

[First unidentified speaker] Yes, in jail. They put them in jail as well because they also tried to escape. They were caught over there, near that fence. There must have been about 30 of us who wanted to escape. We got hold of some garbage bags, the ones they pass out to us to collect garbage. You can tell they are confident because they only have one guy opening the gate. Each one of us carried a garbage bag through the gate. As I threw the garbage bag at the Marine and went to jump over the hole, a Marine hit me with one of the black sticks they carry right here...

[Correspondent, interrupting] He hit you in the face?

[First unidentified speaker] Yes, in the face. I kept going anyway.

[Second unidentified speaker] I left thinking that I could help my wife and son financially from over there. That was the only reason [words indistinct]. I realized the truth, that it is all a bunch of lies and trash. I had to return.

[Third unidentified speaker] I am sorry about the relatives I left behind: a brother, a brother-in-law, my niece's husband, and others. They did not want to leave. They feared the mines. I told them that I was leaving even if they were not, even if it meant having a mine blow me apart.

[Fourth unidentified speaker] We will be the ones to report to the Cubans on the situation. [several men speaking loudly at the same time, agreeing]

[Fifth unidentified speaker] The best piece of advice that I would give a friend is not to get involved, not to try that. It is the worst, lowest thing that someone can do.

[Sixth unidentified speaker] I really wanted to leave. I wanted to leave there then as badly as I want to return home now. I thought that when I got over there I was going to be able to help my family, my mother. I have two little brothers, and my mom does not have a husband. I thought that I was going to help my mom by

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doing this, but when I got there, yeah, ha-ha. As badly as I wanted to leave, I now want to return home. [end recording]

UNHCR Envoy Praises Role in Handling Haitian Refugees

FL2909105494 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 29 Sep 94

[From the "NTV" newscast]

[Text] Ghanaian Kofi (Asoumani), UNHCR envoy to Haiti, has visited Cuba and discussed possible action that can be taken to help Haitian refugees who have reached Cuban territory. (Asoumani) recognized the difficult situation the Haitian people must face and noted UN interest in the safe return of the 417 refugees in Cuba, as well as the 14,200 being held at the Guantanamo naval base, to their country if they so desire:

[Begin (Asoumani) recording] We have made it very clear to U.S. authorities that a massive repatriation cannot begin until we have reached a point where we can say that the situation in Haiti is a lot more stable. [end recording]

(Asoumani) told a news conference of Cuba's role in this regard:

[Begin (Asoumani) recording] The Cuban Government has played a very important role, a classic role, something which is not found in the world of assistance to refugees anymore. There are very few countries that would take this responsibility because the refugees are the responsibility of the country giving them asylum. Cuba is one of the countries that has lived up to this responsibility perfectly. [end recording]

(Asoumani) pointed out the responsibility that countries have in the ever-growing and daily problem of refugees, a problem which affects millions of people and which stems from the development issue.

Russian Officer Criticizes U.S. Policy, Blockade

FL2909105794 Havana Radio Rebelde Network in Spanish 2300 GMT 28 Sep 94

[From the "Exclusive" program]

[Text] Russian Lieutenant General Nikolay (Leonov) today called the Cold War-style policy on Cuba that the United States has been exercising since the Revolution's victory in January 1959 unfair and incongruous. (Leonov) told the conference on the October '62 crisis that coercion and pressure have characterized U.S. policy on Cuba since the early '60s. (Leonov) said that the United States not only maintains but also reinforces the economic blockade against Cuba in the so-called post-Cold War era to make it harder for the Cuban people to live. He said that, in addition to the inhumane economic and trade fence, the White House maintains a powerful propaganda machine that only responds to the interests of the Cuban right living in Florida and elsewhere.

Joint Venture With Israel in Textile Industry

PA2809194394 Havana PRENSA LATINA in Spanish 0126 GMT 28 Sep 94

[Text] Havana, 27 Sep (PL)—The World Textile Corporation S.A. joint venture was created today when the Cuban Textile Union and an Israeli business group signed an agreement that should make a significant contribution to that economic sector's reactivation on the island.

The signing ceremony took place at the headquarters of the Ministry of Light Industry with the participation of Cuban Vice President Carlos Lage and Ernesto Melendez, minister of foreign investment and economic cooperation.

After signing the documents ratifying the investment, Miguel Mitelman, leader of the Israeli group and Pedro Hernandez Rifat, director of the Cuban Textile Union, told PRENSA LATINA of their satisfaction with the agreement. The accord encompasses the industry's 15 plants throughout the country.

According to Samuel Tsang, attorney for the Israelis, their company will supply the financing, cotton, technological experience, and market for the textiles and eventually for apparel produced in Cuba.

"We hope that with our knowledge and money, Cuban textiles can be the best in the world," said Tsang. He indicated that "this is only the first step in the Cuban market," as they are also interested in investing in other economic sectors.

Asked about the main attraction of investing in Cuba, the attorney said that Cubans "are very intelligent people," but also noted the acceptance on the international market of some of the company's samples manufactured with Cuban textiles.

According to Hernandez Rifat, this investment will finance production in the nation's 15 plants, including the Textile Investigation Center and, depending on sales on the foreign market, will allow use of the plants' available capacity.

The joint venture will include production of flat, knits, coarse, and finished textiles and even includes the possibility of manufacturing apparel, Hernandez Rifat indicated. Rifat explained that the Israeli group exports textiles to Latin American nations and to the United States from Israel, and now it could even do so to Latin America from Cuba.

Another investment in the textile industry with the participation of Mexican capital created the International Textile Corporation joint venture that has been

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operating for the past 18 months, the production from which is opening new markets, the director of Textile Union explained.

The installed capacity of this industry in Cuba is approximately 166 million square meters annually.

Letter of Intent on Air Travel Signed With Argentina

FL2809214294 Havana Radio Rebelde Network in Spanish 1700 GMT 28 Sep 94

[From the "National Radio News"]

[Text] Cuba and Argentina formally signed a letter of intent in Havana on 28 September that regulates air travel between the two nations and defines the technical and operational framework in which to develop air travel standards. The document was signed by Algimiro Ojeda, vice president of the Cuban Civil Aeronautics Institute, and Raul Encole, Argentine under secretary of transportation. The agreement makes regular passenger, cargo, and mail services official and details flight schedules, capacity, taxation methods, and statistical cooperation. Independent of regularly scheduled flights, both parties favor adding charters whenever necessary during peak travel periods. The same applies to cargo flights in response to market demand.

Farming Cooperative Head Views Farmers Markets

FL2809160394 Havana Radio Rebelde Network in Spanish 1155 GMT 28 Sep 94

[Interview with Orlando Gomez, president of the Niceto Perez Farming Cooperative by Alberto Gutierrez, in Havana Province; from the "Doing Radio" program—live]

[Text] [Gutierrez] Orlando, what is the immediate response of the Niceto Perez Farming Cooperative to the opening of the farmers markets on Saturday, 1 October?

[Gomez] Well, on Saturday we are going to take yams, plantains—green and ripe—and prepared foods such as rice and pork, peanuts, coconut water, and other things that we might get ready, such as sour oranges or whatever else the people might want.

The quantities will be gradually increased in the coming months. Right now, the people cannot expect all problems to be solved because the production volume is the same, but the handling has changed. By December, I think we will have addressed the problem because the quantities of vegetables produced will be greater. In this way, I think we the people will be responding to the words of Raul Castro, that we have had enough lies, enough discussion about plans, of planting so many quintales, so many thousands of quintales, which the people never got to see. The people become coparticipants once they see the products reaching their tables.

[Gutierrez] Orlando, the issue of prices has been tossed around a great deal; in your opinion, what will happen with prices?

[Gomez] Well, the prices will behave freely, according to supply and demand. A cooperative might set a price on yams in the morning and another in the afternoon. This will be determined by the people. The people themselves will set the prices of the products. For example, a cooperative might sell yams or beans at a high price, depending on the amount of money in circulation, which is what we must collect—that will be the barometer of prices.

[Gutierrez] Friends, entities in Guira de Melena Municipality, Havana Province, will service the following:

Plaza de la Revolucion Municipality will be serviced by five Youth Labor Army farms, and three Basic Cooperative Production Units.

Boyeros Municipality will be serviced by Cuba-Nordic Nations Friendship Farming Cooperative and the Niceto Perez Farming Cooperative.

Bauta Municipality will be serviced by the UPBC Uvaldo Diaz, and Guira De Melena Municipality will be serviced by nine Credit and Service Cooperatives, which include approximately 270 farmers.

Juan Contino Delivers CDR Anniversary Address

FL2809163294 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0200 GMT 28 Sep 94

[Address by Juan Contino, national coordinator of the Committees for the Defense of the Revolution, in Havana—live]

[Text] Members of the Committees for the Defense of the Revolution [CDR] throughout Cuba:

Difficult were the days when the CDR emerged; days when the enemy within felt emboldened and our streets were filled with the sounds of explosions. Difficult were the days in which the CDR grew; days when it was imperative to have the support of the people to carry out vital social tasks in the neighborhoods. In addition to vigilance, efforts were increased in education and health. The days are still difficult; yet the CDR's ever-present enthusiasm is now more mature and stronger. The people, who then joined the CDR ranks, have become an educated nation, and a new generation lives in our neighborhoods. Veteran and junior CDR members join hands in our homes.

Today, we await this, the CDR's 34th anniversary, in a city that might be lacking many things. However, what this city or country will never lack is the enthusiasm of its people, their love, and their willingness to transform it into what it has always been, a beautiful capital city in the midst of a beautiful and honorable country. With enthusiasm, our entire people, from San Antonio to

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Maisi, have prepared themselves for this date, 28 September. In every neighborhood, we wait, gathered around a soup pot, regardless of its content, because what is important is the content of those gathered around it. [applause]

We have many, many reasons to rejoice and be glad. This very month of September, every Cuban mother was able to take her children to school because the people were able to guarantee, at a time when we lack almost every material thing, that classrooms remain open. This very month of September, the creation of a farmers market was announced, along with other steps taken by the nation to balance its domestic finances and to encourage productivity. The farmers market will not solve all food shortages, but will ease the problem a little at a time. In this very month of September, we uphold the fatherland, sovereign and independent, and we struggle to maintain the social accomplishments of these 35 years of Revolution at any cost. In this very month of September, it fills us with pride to discover that the organization created by Fidel in 1960 is still as fresh and strong as ever, still has the support of the people, continues to experience renewed enthusiasm, and sees its reasons for being strengthened. [applause]

To the new challenges of these times we will give the new answers required by these times in which we live. The essence will not be lost. The essence will always be renewed. We have witnessed the Pioneers' vigilance program, mass clean-up efforts, happiness in the streets at home, and in the neighborhood where patriotism was born. Love for the fatherland is engendered by love for the neighborhood. Let us therefore toast with a bowl of soup the days of intense struggle ahead. [applause] Let us toast hope and the future. [applause] Let us toast the well deserved happiness of having reached this moment [applause] without relinquishing a single principle, without selling out our convictions, without giving in to the enemy.

The CDR and its members will never hoist white flags in the streets. The red flags of the Revolution will remain high on their masts in every corner of the fatherland. There will always be those who bolt before a seemingly impossible challenge. However, we have on our side an overwhelming majority of revolutionary people able to do the impossible. [applause]

We can and will win! Viva Free Cuba! [Crowd shouts: Viva!] Viva Fidel! [Crowd shouts: Viva!] Fatherland or death! [Crowd: We will win!]

Dominican Republic

Troops on Border With Haiti Return to Headquarters

PA2809230494 Madrid EFE in Spanish 2155 GMT 28 Sep 94

[Text] Santo Domingo, 28 Sep (EFE)—Dominican troops along the Haitian border started returning to their headquarters today, Wednesday, following the government's decision to end the border blockade.

The Dominican Army chief, Major General Ivan Hernandez Oleaga, said the Armed Forces have started demobilizing almost 15,000 troops who had been stationed along the border since May.

The Dominican troops were deployed along the 380-km border in order to fulfill the embargo against Haiti. These troops were joined recently by international observers as a means of ensuring that the blockade was fulfilled and deterring fuel trafficking.

In response to the Dominican Government decision to reopen the border, thereby allowing the circulation of Haitian citizens coming into the Dominican Republic to purchase food supplies, the National Army chief said "things are beginning to return to normal."

Gen. Hernandez Oleaga said that the military received instructions to allow the passage of fuel across the border and that he expects the situation to be as it was in the past.

He said that the soldiers stationed along the border are returning to their headquarters and that surveillance in that area will be in the hands of those who have always done that job.

Haiti

Jonassaint Accuses U.S. of Violating 18 Sep Accord

PA2909025794 Madrid EFE in Spanish 0156 GMT 29 Sep 94

[Text] Port-au-Prince, 29 Sep (EFE)—Haitian de facto President Emile Jonassaint accused the United States tonight of violating the agreement signed on 18 September by a U.S. mission led by former President Jimmy Carter.

Jonassaint said even though his government has respected the agreement and the Haitian Army High Command has cooperated with the U.S. mission, multiple actions in violation of the agreement have been confirmed.

He said he hopes the U.S. Government will fulfill its responsibilities, impartially respecting all the signed agreements.

Jonassaint, who addressed a message to the country over a private radio station, said the United States has not respected point five of the agreement. That point establishes that the embargo and the economic sanctions will be lifted without delay on the basis of the UN resolutions and that the needs of the Haitian people will be satisfied as soon as possible.

Jonassaint urged the United States to comply with the agreement and accused the U.S. soldiers who are on a "peace mission" in Haiti of making unacceptable mistakes.

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He also accused certain U.S. diplomats of adopting a subversive attitude and said the planned vengeance and humiliation cannot lead to the path of national reconciliation.

The de facto president urged the Haitian people to remain calm despite the violations of the agreement and accused certain foreigners, whom he did not identify, of lighting the match for a civil war in Haiti.

Regarding the convening of the National Assembly by constitutional President Jean-Bertrand Aristide to approve the amnesty law, Jonassaint accused the United States of being responsible for that situation due to the violation of the 18 September agreement.

He said he maintains his convocation of the parliament for 4 October and the legislative elections in December.

He argued that, when he signed the 18 September agreement along with the Haitian Army High Command, he trusted U.S. President Bill Clinton and Carter's moral integrity.

Jonassaint said he has asked the United States to investigate the violence that has taken place in Haiti in the last few days, and he expressed indignation over the incidents in Cap-Haitien on 24 September, when U.S. troops killed 11 policemen.

For Haiti's de facto president, this represents another violation of the 18 September agreement.

Jonassaint called on the Haitian Armed Forces to remain united, and he affirmed he does not feel Haiti's future is hopeless.

Senate President Opens Parliament, Thanks Clinton

FL2809234494 Port-au-Prince Radio Metropole in Creole 2100 GMT 28 Sep 94

[Report by correspondent Edner Jean, from Parliament—live]

[Text] The special session of Parliament finally got under way at about 2000 GMT.

A total of 54 deputies and 11 senators, mostly members of the body led by Firmin Jean-Louis, attended. The regular Senate approved the 11-member quorum, excluding the 18 January senators. This caused quite a stir in Parliament, the Socialist Bloc, among others, expressing reservations about the 11-member Senate quorum. Previously approved resolutions state that a Senate quorom must be composed of 13 senators.

Senator Firmin Jean-Louis stood his ground and continued the session with the 11-member quorum, which prompted some deputies to leave the room in protest.

Jean-Louis later read an opening address in which he mentioned that this session marks the beginning of a new era in Haiti—quote, the era of the return to democratic order, unquote. The senator then thanked the international community, President Clinton, and everyone else, angering deputies who felt that the Senate president had gone beyond the purpose of the meeting in thanking the international community. Many deputies stood up and even threatened Jean-Louis. Fortunately, the argument went no further than verbal threats.

The first secretary of the Senate later noted the reason for holding the meeting, which President Aristide states is to study the amnesty law, the law on establishing a new police academy in Haiti, and the law on disarming civilians in Haiti. The special session will continue until senators and deputies vote on all of the laws.

Only about 10 deputies from the Alliance for Parliamentary Cohesion attended the opening session. The majority of Socialist Bloc deputies were there. National Front for Change and Democracy, Social-Democrat, and independent deputies close to President Aristide also attended.

The session just ended. The constitution states that the two chambers will work separately on the amnesty law. It might take some time before it is voted on, since the wording must be exactly the same in the Chamber of Deputies and the Senate. It will not be easy, given that many senators are opposed to the spirit of a general amnesty. The situation is similar in the lower chamber. The amnesty law will become clearer as time passes.

Session of Parliament Ends

PA2909041794 Mexico City NOTIMEX in Spanish 0239 GMT 29 Sep 94

[Excerpt] Port-au-Prince, 28 Sep (NOTIMEX)—The first Haitian Parliament session held following the U.S. occupation was ended today, while an incident took place outside the legislative building between demonstrators and followers of the de facto government.

The joint special session of the Chamber of Deputies and the Senate [words indistinct] constitutional President Jean-Bertrand Aristide to decree an amnesty in favor of the coupists, in accordance with the Port-au-Prince agreement.

The meeting, held under the auspices of U.S. soldiers stationed in Haiti, was ended by Firmin Jean-Louis, the legitimate assembly and Senate president, with the reading of the seven points which are to be analyzed by legislative commissions.

Today's session ended one hour and five minutes after it started, at 1650 (2050 GMT), after legislators approved the day's agenda.

The parliamentary session had the necessary quorum to work. It had 11 senators and 53 deputies, many of whom were repatriated recently and whom Jean-Louis invited to meet separately to work on the various topics of the day's agenda.

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The amnesty law for those involved in the coup d'etat is part of the agreements signed on 18 September by the de facto government and a U.S. delegation with a view to easing the retirement of the military leaders by 15 October, at the latest.

According to parliamentary sources, the legislators will also study the separation of the Army and police, the disbanding of paramilitary groups, the organization of territorial communities, and will be tasked, among other things, with resolving the case of parliamentarians irregularly elected on 18 January 1993, with the agreement of the de facto authorities.

Diplomats from 11 countries witnessed the opening ceremony, which took place under the watchful eye of dozens of U.S. Marines outside and on the roof of the legislative building.

As hundreds of Aristide followers applauded the entry of the parliamentarians, witnesses pointed to policemen dressed in civilian clothes, known as "attaches," who circled near the parliament building in light trucks. [passage omitted]

Chamber of Deputies Reports Legislators Threatened

FL2809224294 Port-au-Prince Radio Metropole in French 1045 GMT 28 Sep 94

[Text] The Chamber of Deputies reports that a group of about 1,500 demonstrators has threatened and insulted some legislators. The Chamber considers these acts a deliberate move to intimidate the Haitian legislators and to run national sovereignty through the mud, continuing the tradition of intimidating legislators as they carry out their duties. The Chamber led by Frantz Robert Monde reminds everyone that the dramatic situation that the Chamber faces is a strange reminder of the painful experiences of 13 August 1991, during the questioning of Prime Minister Rene Preval. It seems that the behavior of those who advocate democracy's return has not changed.

U.S. Troops Guard Parliament for Special Session

FL2809183694 Port-au-Prince Radio Metropole in French 1045 GMT 28 Sep 94

[Text] As of yesterday morning, U.S. troops have been posted around the Haitian parliament in anticipation of the special session convened today by President-in-exile Aristide to examine the amnesty law for the Haitian military. About 20 U.S. military police were on guard in front of the building housing the Haitian parliament. It should be noted that access to parliament has been blocked by rolls of barbed wire. Half a dozen Haitian military were also on guard alongside the U.S. soldiers.

Deputy Stresses 'No Room' for U.S. Forces in Parliament

FL2809230994 Port-au-Prince Signal FM Radio in French 1030 GMT 28 Sep 94

[Text] Although Deputy Pierre Simon Georges is not against holding Parliament today, the legislator insists that there is no room in Parliament—the mecca of national resistance—for U.S. Marines. He has called on Haitian forces to ensure the safety of Haitian legislators:

[Begin Georges recording, in Creole] We, in the Chamber of Deputies, have approved a resolution that states that Parliament is the mecca of national resistance. While we are well aware of the fact that we, as legislators, cannot resist militarily, we can resist morally, philosophically, and literally [words indistinct]. We, as working legislators, face many problems at Parliament today, answering the call to convene while the signs of occupation are evident inside and outside the legislative building. This makes us wonder: We wonder whether many of us legislators will be able to meet this morning, before the session, to discuss the stand we should take. [end recording]

Senator Explains Colleagues' Failure To Meet

FL2809201194 Port-au-Prince Signal FM Radio in French 1030 GMT 28 Sep 94

[Passages within quotation marks in Creole]

[Text] The Villa d'Accueil meeting aborted 28 September: Senator Jacques Rony Mondestin has confirmed that the legitimate senators did not meet at Villa d'Accueil as planned. Most of the senators did not show up. Sen. Mondestin commented on the conjuncture. Daly Valet reports:

[Begin recording] [Valet] "The meeting that the legitimate senators planned to hold at Villa d'Accueil to prepare for the National Assembly session on 28 September has, we can say, been aborted. We say this with many reservations. We met Sen. Mondestin at about 1530 on 27 September, as he was leaving the Villa d'Accueil Hotel. He told us that the meeting did not take place because the senators—including Firmin Jean-Louis, president of the legitimate senate—did not show up. We could not find out whether the meeting was held elsewhere. Furthermore, we asked the National Reconstruction Movement [MRN] senator for his opinion on the amnesty law, on which Parliament is due to vote on 28 September. He told Signal FM:

[Mondestin] "Amnesty laws are general by nature. I do not know of a constitution that grants the right to approve a general amnesty. [Words indistinct] an amnesty law never refers to a specific case." Amnesty laws are always general, whether in Haiti or any other country. Since it has been decided to vote on an amnesty law, the one authorized by the constitution to grant the

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amnesty by decree will decide who will be granted amnesty. It will be his responsibility and not mine.

[Valet] "Sen. Mondestin went on to say that he understands General Cedras when he says that he does not want to go into exile, as the country's constitution does not allow for exile. Sen. Mondestin says he would personally like Gen. Cedras to remain in Haiti to testify on the death of Yves Jean-Pierre, Rene Theodore's bodyguard, in January 1993. Sen. Rony Mondestin says that just as the general has the right to remain in Haiti, several citizens have the right to take legal action against the general for crimes he allegedly committed.

[Mondestin] "The latest constitution does not acknowledge the right to exile people. In this sense, actually, I think Gen. Cedras may resort to this article of the constitution. On the other hand, [words indistinct] he is protecting his rights. It is quite legitimate for him to protect his rights. That is good. However, if he remains in Haiti, he must understand that many people also have the right to take legal action against him. This must be clear to him. Just as he has the right to remain in Haiti—which I agree with—many people have the right to take legal action against him for crimes that they—and I, especially—believe he committed. Personally, I am convinced that Gen. Cedras played an important role in the assassination of Yves Jean-Pierre, Rene Theodore's bodyguard, on the MRN's premises in January 1993. I would like Gen. Cedras to stay: We are preparing a case so that he can testify. This concerns not only Gen. Cedras but also Port-au-Prince police officers. We would appreciate it if they stayed so...[pauses] as they were brave when they were committing those actions, they must be as brave and courageous to face justice.

[Valet] "Asked about the deployment of U.S. military personnel around the Haitian Parliament within the scope of the amnesty, the MRN senator says he does not yet have an opinion as he has not seen that with his own eyes. Similarly, he says he does not have an opinion on what happened in Cap-Haitien. However, Sen. Mondestin points an accusing finger at the country's oligarchy, which he thinks has had the United States land in Haiti to defend its personal interests.

[Mondestin] "When people are freed by foreign armed forces, when an oligarchy calls on the foreign armed forces—in its mind—to continue protecting its interests and the endlessness of the economic power system, there is a price to pay for that.

[Valet] "U.S. military personnel and armored tanks have already taken up positions outside the luxurious Villa d'Accueil Hotel, where we met Sen. Mondestin. The U.S. military personnel looked mean, telling everyone to move back and stay away. The U.S. Marines have been doing this since the suspicious death of a U.S. soldier in the Villa d'Accueil Hotel." [end recording]

FRAPH Attacks Demonstrators; 29 Sep Protest Noted

PA2909004894 Madrid EFE in Spanish 2252 GMT 28 Sep 94

[By Herold Jean-Francois]

[Text] Port-au-Prince, 28 Sep (EFE)—Members of the Revolutionary Front for the Promotion and Progress of Haiti (FRAPH), a right-wing organization linked to the military, shot at and hurled stones at hundreds of people this afternoon as they marched down Champ Mars, a street leading to FRAPH headquarters.

FRAPH members hurled stones and hit several people, some of whom were injured, according to radio reports.

FRAPH leader Emmanuel Constant said the cooperation of the U.S. military that is in Haiti on "a peace mission" has become an occupation.

Constant said such actions as providing food, drinking water, and electricity have not been done to relieve the people's suffering.

"We want peace, calm, and reconciliation for a new Haiti," Constant said.

Constant asked Haitians not to be afraid, because a peaceful coexistence is possible.

He also urged Haitians to make sacrifices to achieve this coexistence.

Constant urged Haitian merchants to close their shops and urged the people to remain in their homes in order to prevent violent incidents and a "Dechoukaj" (a situation that arises when people enter a place and drag out everything they find on their way).

The FRAPH leader said the world will have the opportunity to see who is responsible for violence if the people remain in their homes.

Constant spoke in view of the announcement of the protest organized for tomorrow, 29 September, one day before the third anniversary of the coup that ousted constitutional President Jean-Bertrand Aristide on 30 September 1991.

Several organizations are holding a mass at the cathedral in Port-au-Prince tomorrow, 29 September, the anniversary of the overthrow of Aristide, and there will be a peaceful march on 30 September.

Concern has been expressed that the demonstration will be infiltrated by individuals linked to the military so as to promote disorders or to open fire on some U.S. soldier.

In this regard, the Association to Sustain Democracy [Asociacion para Sostener la Democracia] of Saint Marc, 100 km north of Port-au-Prince, has urged the people not to participate in the 30 September demonstration.

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Moises Alexis, president of the association, has said 30 September is a day of grief and mourning. Alexis has said that President Aristide has yet to return to Haiti and that the people can demonstrate when the Haitian president is to return to the country.

Alexis has suggested that those who want to participate in the 30 September march should tuck in their shirts so that "everyone can check each other and prevent instigators from infiltrating the protest with weapons or rocks" in order to use them against U.S. soldiers in Haiti.

Jonassaint Government Declares Days of Mourning

PA2909033694 Paris AFP in Spanish 0237 GMT 29 Sep 94

[Text] Port-au-Prince, 28 Sep (AFP)—The government of President Emile Jonassaint, which the international community does not recognize, decreed three days of mourning on 28 September in memory of the Haitians killed by U.S. soldiers in Cap-Haitien on 24 September. The national mourning will begin at dawn on 29 September.

The presidential decree, read over state television, stated the measure was taken "to honor the soldiers and civilians killed by the shots of U.S. Marines."

During those three days of mourning, public services, schools, shops, and industries will stop, and flags will fly at half-mast, and radio stations will broadcast music befitting the circumstances.

In addition, 52 political, popular, and union organizations have announced they will have a mass officiated in the cathedral in Port-au-Prince on 30 September in memory of the victims of the 30 September 1991 coup d'etat. The mass will be followed by a march through the capital to lay a wreath in the city's largest cemetery.

Comments on Leaders' Continued Presence

94P21202

[Article by C.L.: "Three Officers Who Hide the Forest"]

[Text] The entire world demands their departure. They profess surprise, playing the role of the misunderstood and posing as the victims of the ostracism of the international community, fed, they maintain indignantly, by a campaign of disinformation financed by Jean-Bertrand Aristide, the president they overthrew on 30 September 1991. Lt Gen Raoul Cedras, Brig Gen Philippe Biamby, and Lt Col Joseph-Michel Francois are still there.

At the head of the army is Raoul Cedras, 44, a Protestant, a scion of one of the few mulatto families who supported Francois Duvalier (Papa Doc). A courteous man, a negotiator whose art of confusing the issues and whose interminable digressions inspire fear, he takes advice from friends such as businessman Patrick Demeza, a childhood companion who convinced him to head the coup d'etat three years ago. His wife Yannick or his brother Didier also exert a discreet influence on him, while Romeo Allioun, a "Syrian," as Haitians call immigrants from the Near East, guards him at the head of a group of masked paramilitary.

But the man whom Cedras trusts completely is incontestably the No. 3 man in the army, his friend Philippe Biamby. At the age of 42, Biamby, a black and a disciple of voodoo, is the son of a baron of Duvalierism who was a former private secretary of Papa Doc and minister of defense under him. Characterized as "chemically unstable" by the U.S. press, he is the most resolute of the "troika." He detests the Americans, who humiliated him five years ago by keeping him in detention for three weeks following an attempt to immigrate. Biamby is popular with the troops, whose life and leisure time he shares. He leads a Spartan existence, sleeping in his office on a folding bed that he folds away every day. In the case of an invasion, he has sworn to the soldiers that he will be the last to stay in place and that he would rather kill himself than surrender to the Americans.

Lt Col Francois, 37, is the protagonist of the 1991 coup, and chief of the Port-au-Prince police and of the strongest group of "attaches," those armed civilians who use expeditious methods. A determined enemy of President Aristide, who, he claims, attempted to have him killed, he has enriched himself with black market activities, mainly in the gasoline trade. Americans accuse him of being linked to the drug traffic, but have been unable to prove it. Nevertheless, Francois plays his own game and will leave if his leaders ask him to do so. In fact, he does not participate in the negotiations with the U.S. delegation.

The two other Haitian generals are absent from the picture. Why isn't their departure demanded? No doubt because military regulations specify that Cedras' successor must be appointed by them. Americans reportedly avoided a constitutional issue by being soft on Maj Gen Jean-Claude Duperval, head of the general staff, whom Aristide even "appointed" commander-in-chief some months ago in a vain effort to destabilize Cedras. Nevertheless, nothing distinguishes Duperval from his colleagues, to whom he shows an apparently unfailing loyalty. As for the last general, Henri Max-Mayard, he is seen more often in casinos and bars than in his office....

Gen. Cedras, who explicitly envisaged a departure in his talks with Jimmy Carter, asked above all for guarantees about his succession and the fate of the military institution. This is nothing new, and such a solution obviously would not change much in Haiti. Many Haitians ask themselves why American demands focus on the trio, and they fear that if the three "plague-ridden" men end up accepting the U.S. offer, Washington, satisfied with this "victory," will not upset a system of which Cedras is only the most visible tentacle.

Basically, the reign of fear is ensured by the "attaches," whose methods and numbers—generally estimated at 20,000—are highly dissuasive [passage omitted]. Acting for themselves, they form gangs responsible for the wave

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of criminality that has swept Haiti since 1988. But they also work for whomever pays them. Most political crimes are never signed, which only increases the terror. However, it would be naive to impute them only to Cedras: there is no proof that the military commanders are directly responsible for some of the worse crimes, some of which indeed do them a disservice and come at too inopportune a time to arouse reasonable suspicions about their involvement. And anyway, the investigation never produces anything.

Indeed, power in Haiti comes in many forms and the military are only its armed branch. A number of important families control the economy and share the commercial monopolies. This economic aristocracy would be the loser if Aristide kept his promises to reform society, and it has shown itself very generous with the coupist military. Tomorrow, it will again be the unavoidable interlocutor for foreign investors who will undertake to revive a country ravaged by a three-year embargo. Therein lies the real power.

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Salinas Issues Statement on Slaying of PRI Leader

PA2809183694 Mexico City Radio and Television Networks in Spanish 1815 GMT 28 Sep 94

[Statement by President Carlos Salinas de Gortari at Espanol Hospital in Mexico City—live]

[Text] Gentlemen, the killing of Mr. Jose Francisco Ruiz Massieu is a heinous crime. I have extended my condolences to members of his family, who are close and very dear to me. The Attorney General's Office and the attorney general for the Federal District are taking steps and, in a few minutes, will inform you in detail of their findings. Thank you.

Zedillo Comments

PA2809190794 Mexico City Radio and Television Networks in Spanish 1835 GMT 28 Sep 94

[Statement by President-elect Ernesto Zedillo at Espanol Hospital in Mexico City—live]

[Text] Ladies and gentlemen: On behalf of my collegues from the Institutional Revolutionary Party [PRI], I wish to voice our profound sorrow and indignation over this morning's brutal attack and the assassination of our friend Jose Francisco Ruiz Massieu.

He served as secretary general of our party and coordinator [words indistinct] a regrettable incident. This is another attack on the Mexican people. We lost an exemplary public official who served as governor of his state, and we also lost a party man who was profoundly committed to serving the fatherland.

I personally dealt with Jose Francisco Ruiz Massieu when he was governor of the State of Guerrero and I was serving as secretary of programming and budget and secretary of public education. We were both members of the social development cabinet when he served as director general of Infonavit [Institute of the National Fund for Workers Housing]. He also was secretary general of our party during my political campaign, and in recent weeks we had worked closely while he served as coordinator of the PRI's elected deputies.

Therefore, I can attest to the high moral values and the enormous human virtues that our collegue Jose Francisco Ruiz Massieu had. On behalf of my collegues, I wish to make the strongest demand for a full clarification of this crime and for the application of the full force of the law.

This is a day of mourning for PRI members. This is a day of mourning for all Mexicans. Thank you very much.

PAN, PRD Leaders Denounce Attack

PA2809183194 Madrid EFE in Spanish 1735 GMT 28 Sep 94

[Text] Mexico City, 28 Sep (EFE)—The two main Mexican opposition parties have condemned an attack on Jose Francisco Ruiz Massieu, secretary general of the Institutional Revolutionary Party (PRI), in the nation's capital today.

"This is a truly condemnable act," said Carlos Castillo Peraza, chairman of the Executive Committee of the National Action Party, the country's No. 2 political force. "These incidents show that people committed with changing the country are in jeopardy," the leader of the center-rightist party added.

Meanwhile, Porfirio Munoz Ledo, president of the Party of the Democratic Revolution (PRD), the No. 3 political force in Mexico, lamented "very much" the attack on Ruiz Massieu, who is in serious condition after being shot in the right side of his neck.

"Without doubt, he is a talented man, a man of undeniable political inclination," the top leader of the center-leftist PRD said. "We had political differences, but I always respected his intelligence," he added.

[Paris AFP in Spanish at 1722 GMT on 28 September transmits a similar 120-word, Mexico City-datelined report that notes Diego Fernandez, the former PAN presidential candidate, denounced the attack as "brutal and cowardly."]

PRD's Munoz Condemns Violence

PA2809193694 Mexico City XEW Television Network in Spanish 1900 GMT 28 Sep 94

[Interview with Porfirio Munoz Ledo, president of Mexico's Party of the Democratic Revolution, by an unidentified reporter, following the assassination of Francisco Ruiz Massieu, secretary general of the Institutional Revolutionary Party, in Mexico City on 28 September; from the "Upon Awakening" newscast—recorded]

[Text] [Munoz] We received the news while we were attending a meeting at the IFE [Federal Electoral Institute]. I asked, on behalf of my companions, that the meeting be suspended. We drafted a document and we all signed it, condemning violence and appealing for dialogue, legality, and peace. Incidents such as this disrupt national institutions and must be investigated. This has occurred just after the parties agreed to engage in a dialogue on new political foundations. We had decided to begin talks within the next few days to establish the agenda of the political changes that will be forthcoming.

[Reporter] Can it be said that this was a political crime?

[Munoz] We cannot say anything if we do not have proof. Obviously, this incident mars the political climate of the country.

[Reporter] When you arrived, was he still alive?

[Munoz] No, we did not reach the place where he was, only the hall. We learned on the way that he had died.

[Reporter] Will this incident delay the talks?

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[Munoz] I hope it does not delay them. The incident is deeply deplorable. It should convince us Mexicans even more that we must find peaceful paths to carry out democratic changes.

Electoral Tribunal Head Condemns Slaying

PA2809194494 Mexico City XEW Television Network in Spanish 1913 GMT 28 Sep 94

[Statement by Fernando Franco, president of the Federal Electoral Tribunal, in Mexico City; from the "Upon Awakening" newscast—live]

[Text] The Federal Electoral Tribunal strongly condemns all acts of violence, particularly those that, in a sly and cowardly manner, end the life of a human being. Today's despicable assassination that brought to an end the life of Jose Francisco Ruiz Massieu is not only an attack on one man's most basic right to live, but it also is an attack on democracy, the law, and the de jure state. Therefore, just as all Mexicans are doing, we are demanding a complete investigation into this unacceptable crime, and we demand that those found responsible be given the harshest punishment allowed under the law.

Strongly repudiating this incident, the members of the Federal Electoral Tribunal call on the Mexican people, the political parties, and the authorities to remain calm, united, and to think about the unpostponable need to completely eradicate crime and violence from our society.

Thank you.

PRI Issues Communique

PA2909024294 Mexico City Radio ACIR Network in Spanish 0157 GMT 29 Sep 94

[Report by Emma Galvan from the Institutional Revolutionary Party headquarters in Mexico City; from the "Evening News Panorama" newscast—live]

[Text] There is a communique issued by the National Executive Committee and members of the Institutional Revolutionary Party [PRI] who repudiate the brutal attack against Jose Francisco Ruiz Massieu, who, up to today, the communique states, was secretary general, elected federal deputy, and coordinator for the PRI federal deputies.

The PRI communique states it condemns violence and leaves on public record its formal demand that this assassination be fully resolved and that the full weight of the law be used against those found responsible.

Another communique has been issued by Guerrero State Senator Ruben Figueroa Alcoser, stating the people of Guerrero express that they received with much grief the news of the death of Jose Francisco Ruiz Massieu, whose life, the communique states, was cut down by a treacherous assassination which never should have happened and which they fully repudiate.

Further Reaction to Assassination

PA2909052094

[Editorial Report] The following is a compilation of reports on reaction to the assassination of Jose Francisco Ruiz Massieu, secretary general of Mexico's Institutional Revolutionary Party, PRI, on 28 September.

A 28 September, San Salvador-datelined item reports on the condemnation expressed by the former guerrilla organization Farabundo Marti National Liberation Front (FMLN). "We hereby express our condolences to the family, the PRI, and the Mexican people in general," said FMLN General Coordinator Jorge Shafik Handal, who declined to comment on the political situation in Mexico but did express solidarity with the Mexican people, "with whom we share so many ties of friendship, affection, and mutual understanding." (Panama City ACAN in Spanish 2351 GMT 28 Sep 94)

A 29 September, San Salvador-datelined item reports on reaction from the Salvadoran Government and political sectors regarding Ruiz Massieu's assassination. A communique released by the Presidency stated: "The government of the Republic of El Salvador deplores and condemns the assassination of Mr. Jose Francisco Ruiz." Former leftwing presidential candidate Ruben Zamora also rejected the assassination, saying incidents such as these hinder Mexico's process of democratization. (Mexico City NOTIMEX in Spanish 0149 GMT 29 Sep 94)

A 28 September, Guatemala City-datelined report quotes Guatemalan President Ramiro De Leon Carpio who in brief statements to reporters expressed regret over the grief this slaying would once again bring to the Mexican people. He said: "We must condemn the assassination and demand punishment for the guilty." De Leon Carpio also disclosed he had expressed condolences to Mexican President Carlos Salinas de Gortari by telephone. (Mexico City NOTIMEX in Spanish 2352 GMT 28 Sep 94)

A 29 September, Tegucigalpa-datelined item reports that the Central American Parliament, PARLACEN, condemned the assassination of Ruiz Massieu. In an official communique, the parliamentarians decried the "fateful incident" and sent their condolences to the PRI and the relatives of the Mexican politician. Former Honduran President Rafael Leonardo Callejas described the incident as "regrettable, objectionable, and unnecessary," and former Salvadoran President Alfredo Cristiani termed it "an irrational assassination." Former Guatemalan President Vinicio Cerezo said "there are traditional groups that are opposed to changes in Mexico," and he urged President Carlos Salinas de Gortari to carry on. Bayardo Arce, a former Sandinist National Liberation Front commander, said: "Mexico must play a role of leadership in the Latin American process, and people who undermine its stability cannot be unaware of this reality." (Panama City ACAN in Spanish 0056 GMT 29 Sep 94)

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Luis German Carcova Garcia, president of the Mexican Business Coordinating Council, said on the organization's behalf: "We totally reject acts of violence such as this one, which we consider authentic actions against Mexican society, a society that has repeatedly proven itself capable of settling its differences through dialogue, harmony, the law, and the democratic exercise of their rights." (Mexico City Radio ACIR Network in Spanish 0145 GMT 29 Sep 94)

A 29 September, Managua-datelined item reports that President Violeta Chamorro "strongly condemned" the assassination of Ruiz Massieu. In an official statement, Chamorro, who is in New York attending the UN General Assembly, said "besides being strongly rejected and repudiated by the Nicaraguan Government, violence is a hindrance to the consolidation of peace for which the Latin American people are struggling." (Panama City ACAN in Spanish 0103 GMT 29 Sep 94)

A 29 September, Caracas-datelined item reports that the Venezuelan Foreign Ministry, through acting Minister Roy Chaderton, expressed on 28 September its solidarity with the Mexican Government and people over the assassination of Ruiz Massieu. Chaderton described the slaying as "criminal and stupid," and he conveyed the Foreign Ministry's condolences and solidarity to the Mexican Government, people, the PRI and other parties that have rejected the slaying. (Hamburg DPA in Spanish 0034 GMT 29 Sep 94)

Party representatives to the permanent commission of the Chamber of Deputies have issued a joint, political declaration on the assassination of Jose Francisco Ruiz Massieu, PRI [Institutional Revolutionary Party] secretary general. The brief communique states "the political parties comprising the permanent commission of the Congress of the Union express their condemnation and consternation over the regrettable attack against Jose Francisco Ruiz Massieu this morning." They reject "the violent acts afflicting the legal state and hurting the harmonious coexistence of all Mexicans." The communique adds it "expects the appropriate authorities to carry out an efficient and expeditious investigation that allows the full clarification of this reproachable act." (Mexico City Radio ACIR Network in Spanish 1900 GMT 28 Sep 94)

Various sectors in Jalisco State expressed their shock and concern over the assassination of PRI Secretary General Jose Francisco Ruiz Massieu. Raul Juarez Valencia, president of the PRI Central State Committee in Jalisco, requested that events be clarified and that the masterminds of the murders of Luis Donaldo Colosio and Ruiz Massieu be brought to justice. The National Action Party in Jalisco also condemned the attack as expressed by Tarcisco Rodriguez, who said a strong position must be taken even though additional information is not yet available on possible hidden motives trying to ensure that no changes come about in Mexico. Guadalajara metropolitan area mayors reacted with indignation to news of the attack. (Mexico City XEW Television Network in Spanish 2054 GMT 28 Sep 94)

According to a 28 September, UN-datelined item, Costa Rican President Jose Maria Figueres Olsen, reacting to the murder of Jose Francisco Ruiz Massieu, said "I deeply regret the assassination as a Central American, as a friend of Mexico, and as a Latin American. It moves me each time something of this nature occurs. It is a tragedy." He added "I give my solidarity to the people of Mexico during this difficult moment." (Madrid EFE in Spanish 2036 GMT 28 Sep 94)

Radio ACIR Reports Name of Suspected Assassin

PA2809185494 Mexico City Radio ACIR Network in Spanish 1805 GMT 28 Sep 94

[From the "Panorama Newscast"]

[Text] Jose Roberto Ortega is a name you will frequently hear from now on in reports concerning the assassination of Jose Francisco Ruiz Massieu. Jose Roberto Ortega is the name of a murderer, the murderer of a Mexican politician, of Jose Francisco Ruiz Massieu.

The Attorney General's Office, the PGR, will deliver—in fact, it has already turned over to authorities from the Federal District Judicial Police—the individual, the murderer, or the suspected murderer, in legal terms. Anyway, he is the murderer, according to witnesses to the slaying of Jose Francisco Ruiz Massieu.

Jose Roberto Ortega is currently at the PRG's medical-military installations in the Federal District near Jose Maria Izasaga in Mexico City's historical center. He is being interrogated by Federal District Judicial Police agents. He will be transferred to the PGR at any time, and later he will be taken to a jail in order that his case can be immediately turned over to a court and charges can be filed against him as the only person apparently involved in the attack.

Attorney General's Office Holds News Conference

PA2809214794 Mexico City Radio and Television Networks in Spanish 2024 GMT 28 Sep 94

[News conference by Olga Islas de Gonzalez Mariscal, special prosecutor in charge of investigating the assassination of Luis Donaldo Colosio; Mario Ruiz Massieu, deputy attorney general and brother of Jose Francisco Ruiz Massieu; Ernesto Santillana Santillana, attorney general for the Federal District; and Humberto Benitez Trevino, attorney general of the republic, at the Attorney General's Office in Mexico City—live]

[Text] [Benitez Trevino] Good afternoon. In view of the regrettable events that are already public knowledge, we have prepared a bulletin stemming from the preliminary investigations jointly executed by the Attorney General's Office and the Mexico City Attorney General's Office. I

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am asking Deputy Attorney General Mario Ruiz Massieu to please read the bulletin.

[Ruiz Massieu] Ladies and gentlemen: Regarding the unspeakable crime perpetrated against Jose Francisco Ruiz Massieu, PRI [Institutional Revolutionary Party] pluralistic candidate for deputy and secretary general of the PRI National Executive Committee, in front of the Casablanca Hotel in Mexico City at 0935 today, the Attorney General's Office has this to report:

1. After having breakfast with close to 180 PRI deputies in a PRI-owned building located on La Fragua Street near the hotel already mentioned, Ruiz Massieu entered his four-door Buick, with plates 972GCS, and seated himself behind the steering wheel. At this moment, a young man armed with a submachine gun approached the car and fired a shot that went right through the front left window of the car and wounded Ruiz Massieu in the neck.

2. On receiving the shot, Ruiz Massieu bent over his right side and started bleeding profusely. Eyewitnesses said the individual who wounded Ruiz Massieu attempted to fire again without success, because the gun jammed. One policeman on duty at a bank intercepted him later and handed him over to members of the Federal Judicial Police [PJF] who had just arrived at the scene.

3. After the attack, Ruiz Massieu was taken to the Spanish Hospital, where he died one hour later.

4. The man responsible for the assassination was taken to PJF installations, where he identified himself as Joel Resendiz or Hector Resendiz and said he was from Acapulco, Guerrero State.

The main suspect is under the disposal of the PJF as well as the Mexico City Attorney General's Office, which will work closely in the investigation of the incident.

The Attorney General's Office categorically condemns the assassination of Jose Francisco Ruiz Macias and states the institutions will continue taking all actions, within the framework of prevailing laws, to solve this crime in its entirety. Many thanks.

[Reporter Jesus Casasola] This statement was made by Deputy Attorney General Mario Ruiz Massieu, who has just read a brief five-point bulletin. The bulletin states that the name of the assassin of Jose Francisco Ruiz Massieu is Joel Resendiz or Hector Resendiz, not the name revealed previously. We will now talk with the Attorney General of the republic.

[Benitez] On behalf of Ernesto Santillana Santillana, attorney general for the Federal District, all deputy attorney generals of the republic, and all the employees at the Attorney General's Office, I want to express our deepest regret to Mario Ruiz Massieu, an exemplary public servant, a colleague, and a great friend, over this hideous crime against Jose Francisco Ruiz Massieu, a very distinguished Mexican. Many thanks.

Assassination Affects Stock Market

PA2909014794 Mexico City Radio ACIR Network in Spanish 0000 GMT 29 Sep 94

[From the "Evening News Panorama" newscast]

[Text] Ernesto Zedillo Ponce de Leon, presidential candidate of the Institutional Revolutionary Party [PRI] and virtual president-elect, has said the deplorable attack is a new attack on Mexico.

Meanwhile, Luis German Carcoba Garcia, president of the Business Coordinating Council, dismissed the possibility this new attack might generate a lack of confidence and economic uncertainty. Carcoba demanded that the incident be completely resolved so no room will be left for speculation of any kind.

Nevertheless, the Mexican stock market was affected by the news. Stock market activity was uneven, resulting in a 3-percent drop toward the middle of the workday, but the drop had improved to 1.9 percent at closing time. Alma Rosa Baez has a report on this development:

[Begin Baez recording] As soon as the attack on Jose Francisco Ruiz Massieu became known, investors began withdrawing their money from the Mexican stock market. The main indicator lost 53.61 points and stood at 2,764.82 units at closing time. This loss is equivalent to 1.9 percent. The volume traded was 172.3 million shares, with a value of 2.7113 billion new pesos. Of 104 stocks that were traded, 16 went up, 71 dropped, and 17 had no change.

Ranked by sector, they all lost. The extraction [extractiva] sector was the most affected, with a 2.61-percent drop. The stocks that indicated the most activity during the day were (Telmexele), with 52.2, and Grupo Serfin, with 11 million shares traded.

Before the deplorable incident occurred, the Bank of Mexico had already released the results of the auction of National Treasury Certificates. The prime rate stood at 28.10 this week, losing .28 points to stand at 13.15 percent. At 91 days it drops .86 and stands at 13.10 percent. The 6-month yield is 13 percent minus .79. At the one-year point, the yield stands at 12.74 percent after losing .67 percentage points. [end recording]

Bank Intervenes in Stock Market

PA2909035594 Madrid EFE in Spanish 0235 GMT 29 Sep 94

[Text] Mexico City, 28 Sep (EFE)—The Bank of Mexico invested $2.4 billion in government securities today on the secondary shares market in order to avoid a collapse of the stock market following the murder of the Institutional Revolutionary Party (PRI) secretary general, Jose Francisco Ruiz Massieu.

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Alejandro Mercado, director of Casa de Bolsa Banorte, said the central bank was forced to intervene, given the uncertainty and unbalance generated on the market after the attack in the capital today.

After the news of the attack on the Mexican politician, the number two man in the hierarchy of the governing party, was made public, the Mexican Stock Exchange lost 78.69 points; that is, 2.91 percent of its indicator.

The 48-year-old politician, who was wounded in the neck around 1530 GMT as he was traveling in his vehicle, was taken to the Spanish Hospital in Mexico City, where he died one hour later.

Mercado said the intervention by the Bank of Mexico helped counteract the urge to sell off government securities, Federal Treasury Certificates, and Federal Treasury Bonds that matured on the same date. This trend was registered after Ruiz Massieu's death was confirmed.

The purchases by the central bank prevented the sell-off of securities and allowed the market to stabilize.

The director of the banking institution said the Bank of Mexico's timely intervention was favorably carried out, as there are solid economic perspectives indicating a recovery in the medium term.

The official said the exchange market nervously continued, and the dollar quotation rose to levels near the maximum of the floating range, though not as high as was recorded six months ago when Luis Donaldo Colosio, the PRI presidential candidate, was murdered.

Marcos: EZLN Expects To Be Attacked 'At Anytime'

PA2909032894 Mexico City LA JORNADA in Spanish 28 Sep 94 p 17

[Text] Due to the overflights of military planes, the concentration of troops in the head towns of municipalities around the conflict zone in Chiapas, and the unrest in the rest of the state, the Zapatist National Liberation Army [EZLN] expects to be attacked by the federal Army at anytime, Subcommander Marcos said during a presumably live satellite interview with Radio UNAM [National Autonomous University of Mexico].

He said the road to peace "is more indistinct than ever," even more so than in January and after Luis Donaldo Colosio's assassination and that, for this reason, the EZLN is "in a state of red alert" with instructions "to resist to the last man."

In light of rumors the EZLN could be negotiating the resignation of Eduardo Robledo Rincon, the PRI's [Institutional Revolutionary Party] winning gubernatorial candidate, in exchange for the EZLN's disarmament, Marcos flatly stated they have talked with no one. "Of course, we would never negotiate the EZLN's disarmament. Robledo must resign, because his victory is illegal, and because all he would do is to lead the state and, consequently, the rest of the country to an endless war."

Marcos even said the appointment of a temporary governor would only delay the solution of the problem. For this reason, he favored a recognition of the genuine victory of another candidate who did obtain the majority of votes. Nevertheless, Marcos never mentioned Amado Avendano, the civilian society's candidate registered by the PRD [Party of the Democratic Revolution], by name.

During the first part of the satellite interview, Marcos said they have been collecting all possible evidence and testimonies on the "many irregularities" in the 21 August elections. The evidence and testimonies would be sent to the Chiapas Electoral Tribunal and Electoral Prosecutor's Office, set up by the civilian society, there to be revised and approved.

Marcos expressed regret that the local congress hurried to declare the PRI candidate governor-elect when irregularities were still springing up and the dirt underlying the process was beginning to be revealed. "We believe the government must admit a reality: The PRI is incapable of ruling this state. The PRI should allow other forces try to do it."

In conclusion, Marcos told interviewer David Vasquez that those who believe they are winners should carefully read his 21 August message and be more receptive to the reported irregularities and the dissatisfaction with the facts.

Marcos said this party as never before in the PRI's history obtained an alleged victory without even a relative majority, because half of the people voted against this party. I believe that it was not the vote for the fear of change that prevailed on 21 August but, rather, that the people chose peaceful change through the vote.

To those who regard themselves as losers, Marcos reminded of the commitment made at the National Democratic Convention, where no one said the democratic transition would end according to the result of the 21 August election.

"If they are thinking along these lines, they should be more honest and hand the banner back to us if they cannot bear it. We do not have many arms or plenty of ammunition, but we do have pride and dignity and will lift this flag with pride if they no longer want it," he said.

Civic Alliance: 'No Fair' Play in Aug Elections

PA2909005694 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 28 Sep 94

[Text] The Civic Alliance has presented its conclusions on the 10 August elections in Mexico City. The organization stated during a news conference that there was no fair play but, rather, numerous irregularities, such as violations of the right to a secret vote as well as the transportation of and pressure on voters. This group of

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observers has doubts for this reason on the quality of the electoral process in the country's capital. The group stated it will now be necessary to educate the people on the defense of the right to vote.

The future of the Civic Alliance will be decided next weekend. All of its members expressed the need for this organization of the people to continue to exist.

Official Condemns Anti-Migrant Policies in California

PA2809192394 Mexico City XEW Television Network in Spanish 0430 GMT 28 Sep 94

[From the "24 Hours" newscast]

[Excerpt] There is concern among all sectors in Mexico about xenophobia in California. The living and labor conditions of Mexican illegals residing in California must not be used for political purposes, Rodolfo Fierro, president of the Congress of Baja California, has stated. He said the racist position adopted by California Governor Pete Wilson is an erroneous policy, because it disturbs the population.

[Begin Fierro recording] A man who governs a state must work to benefit the state's residents. Therefore, we condemn any actions against our people, our brothers in the United States. [end recording]

Fierro said most U.S. citizens are well aware of the importance of illegals to the U.S. economy.

In light of the imminent approval of Bill 187, which will ban illegals in California from receiving education and health services, organized groups against this measure will appeal the result of the vote in state and federal courts in that country. [passage omitted]

Authorized Banks Must Open Before New Permits Granted

PA2809195694 Mexico City UNOMASUNO in Spanish 27 Sep 94 p 19

[Article by Luis Martin Gonzalez Guadarrama]

[Text] Although certain groups are interested in obtaining permission to open more national and regional banking institutions, the Secretariat of Finance and Public Credit has decided to suspend new authorizations until banks that have already been authorized are actually established, a source in the Secretariat has said.

It was reported that before new permission is granted stricter regulations must be established to allow organizations to adequately oversee these institutions and avoid falling into suffocating extremes.

Officials who were consulted on the matter said that the authorities want to establish the appropriate mechanisms—at a time when the operation of these institutions has just begun—to detect any kind of illegal activity at the outset.

Although they pointed out that Mexican bankers and businessmen are very professional and honest, the officials did not rule out the possibility that they might give in to the temptation to commit crimes like those about which the United Nations has warned in its recommendations on fighting corruption and money laundering.

They said that Mexico has appropriate mechanisms to give 100 percent protection to investors, "but these can be improved to leave no legal loopholes should someone be affected when a credit or financial institution faces a contingency."

When consulted about other UN recommendations to prevent "white collar" crimes related to money laundering and fraud, the officials pointed out that as that international organization stated, those crimes are universal and no country is free of them.

In delving into the banking regulations and the prevention of money laundering, they said that the experiences of developed countries show that drug trafficking money goes to small banks first and is later transferred to large banks.

"In Mexico we know about this kind of risk, and we will establish mechanisms to prevent such flow," the official pointed out. He added that such measures will be announced in the second trimester of 1995.

The official said that the regulations will also take into account the fact that in industrialized countries complicated operations are used to launder drug trafficking money through foreign banks.

They pointed out that Mexico welcomes foreign capital in direct or portfolio investments, but "capital whose origin is unknown cannot enter the country." Thus it is unfair to say that the country fails to verify the origin of incoming foreign capital.

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El Salvador

Deputies React to Occupation of Assembly

PA2909022794 San Salvador EL DIARIO DE HOY in Spanish 28 Sep 94 p 2

["Thorough Report" by EDH]

[Text] The occupation of the Legislative Assembly by former soldiers and paramilitary personnel has once again proven the virtual defenselessness of the Legislative Palace, and it has tested state intelligence, according to politicians and analysts.

The congressional building has been violently occupied for the third time so far this year by approximately 300 demobilized troops armed with machetes, and it is feared they may also have guns and explosives. Besides threatening to torch vehicles and the building, the occupiers have taken hostage 28 deputies, two managers, two FMLN [Farabundo Marti National Liberation Front] advisers, one technician, and an undisclosed number of congressional security personnel.

This situation has been experienced, however, by other state institutions, among them the Salvadoran Institute of Agrarian Transformation (ISTA) and the Finance Ministry, but not under circumstances as dangerous as this situation.

Deputies from various factions have agreed there was a breach of police security at Congress in this case as well of state intelligence, which did not foresee the occupation.

"The Legislative Assembly is the people's home. It has no protection system or any means of rejecting individuals' attempting to destabilize it," EL DIARIO DE HOY was told by Rafael Machuca, deputy for the National Conciliation Party (PCN) and congressional secretary.

"We never thought social groups would manifest themselves in this manner," he added.

"An assault on the Legislative Assembly is out of place; there is no place for such attitudes in these times," said Deputy Eduardo Sancho of the FMLN.

The Assembly was occupied in December 1993 and last July when former soldiers protested the delay in the payment of their compensations.

Breach of Security

According to the deputies, "security" at Congress is performed by approximately 10 employees, most of them detailed to doorkeeping.

The National Police has been providing security for the building, but it was late in sending relief forces yesterday, the reason why the mobs were able to enter, said Deputies Machuca and Rene Figueroa.

"There is no security system at the Assembly. There is total neglect for personnel, visitors, and deputies," said Deputy Roberto Viera of the Christian Democratic Party (PDC).

Deputy Walter Araujo, of ARENA [Nationalist Republican Alliance], has said "to complain against an organization because it can be infiltrated can only be the work of the Machiavellian minds of clandestine groups, because they have not yet understood that such problems are institutional and would attempt to obtain political gains from any delicate situation."

The deputies have criticized the failure to form a crisis committee from the beginning of the occupation, which they attributed to the absence of President Armando Calderon Sol, who is at the UN headquarters in New York.

According to Walter Araujo, a member of the Congress Board of Directors, the violent occupation of the building contravenes the de jure state. "We are hostages," but under the circumstances it is necessary to remain calm and to consider whether it would be advantageous to use police force or to attempt to reach an agreement, he has said.

Araujo has said the former civil defense and patrolmen were being manipulated, because to transfer that number of people required resources such as trucks and food. "This matter will be investigated later, because it is false the State Intelligence Organization (OIE) knew about the plan to occupy the building."

Legislative Police

Deputy Machuca has said the Assembly will examine a bill concerning its own security system.

Gerson Martinez has said Legislative Palace security should always depend on the executive branch through a specialized division of the National Civilian Police [PNC]. "The law does not prevent Congress from owning or contracting a security agency. The problem is we are not a state within a state. The executive branch is responsible for supplying security to other branches," he has said.

As far as Martinez is concerned, the installations should be modified, and perimeter control and security measures should be applied.

Viera has said parliamentarians in other countries have their own security. "It could be feasible to establish our own security team, because it is obvious that if we have to depend on another outside institution, security will not work," he has said.

ARENA's Rene Figueroa has agreed on the need to establish a legislative police, as in other countries, and to have greater installation controls, such as metal detectors and other equipment.

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PNC Subcommissioner Ortiz Mancia has said the PNC is analyzing the convenience of forming a special unit to protect the Assembly. "This is being coordinated at the operational subdivision level, together with the Protection to Personalities Division," he has said.

Entry Only

One of the leaders of the demonstrators, identified as Jose Ricardo, has said "we are in no hurry," adding "we maintain the same position; no one leaves." Nevertheless, we will defend ourselves if force is used.

He has said "logic shows we are demobilized and have a right to an economic incentive even though the peace agreements do not include indemnities for civil defense and civil patrol units."

For FMLN Deputy Manuel Quinteros, the peace agreements are not clear about these people, but they were Armed Forces fighters. The problem is the government has said it will not negotiate with them while the Assembly is still occupied. "It is a difficult situation," he has said.

Quinteros added that despite the fact the occupation is condemnable and illegal, the solution must be political and not violent.

There were 29 deputies held hostage up to noon.

Occupants' Demands

The former civil defense members and former patrolmen presented to the deputies held hostage nine demands, some of which cannot be understood:

1. Economic incentives for the civil defense members and patrolmen, as well as their inclusion in reinsertion programs.
2. Indemnity for the administrators who requested discharge during the demobilization period.
3. That the UEA [Drug Interdiction Executive Unit] be taken into account in the indemnity.
4. Residual payment to fellow workers who availed themselves of Decree No. 111 (voluntary retirement).
5. Indemnity for former National Guard members.
6. A quick transfer of land for demobilized members of the Armed Forces.
7. Reforms to Decree No. 100.
8. Tourist centers for the have-nots.
9. The creation of an investigative unit for cases of corruption within the Armed Forces.

Assembly Occupation Ends

PA2809204094 San Salvador Radio Cadena YSU in Spanish 1800 GMT 28 Sep 94

[From the "YSU Radio News" newscast]

[Text] We have been at the Legislative Assembly since early this morning. The situation has been partially resolved. Demobilized members of the Armed Forces and various security agencies are now leaving the installations of one of the three main government branches, the Legislative Assembly.

The installations of the Legislative Assembly had been occupied for the past three days.

Today, after lengthy negotiations, the occupants finally agreed to leave the Legislative Assembly, as the executive branch, government representatives, and members of ONUSAL [UN Observer Mission in El Salvador] and a commission from Adefaes [Association of Demobilized Armed Forces Members] will seek a solution to the problem at the ONUSAL Tower.

The demobilized soldiers, following instructions from their leader Samuel Castillo Abarca are now on their way to the Cuscatlan Park, where they will gather while negotiations are held at the ONUSAL Tower with members of the executive branch and ONUSAL. The government will be represented by the interior and defense ministers, and possibly the vice president of the Republic, who will try to find a solution.

At this time, the demobilized soldiers are leaving the Legislative Assembly. In this way the conflict that began three days ago has been partially resolved.

[San Salvador Canal Dos Television at 1900 GMT on 28 September, in a five-minute item broadcast during the "Telepress" newscast, reports that the occupants "are beginning to leave the Legislative Palace. The deputies are expected to leave in a few minutes." The report includes a recorded statement by ONUSAL Assistant Director Waldo Villalpando, who confirms that "the evacuation of the Legislative Assembly has begun under ONUSAL's supervision. We hope it will end peacefully." He adds: "I want to thank the national government, specifically the president and vice president of the Republic, who have been directly involved in finding a solution to the problem, and also to Adefaes, for making this agreement possible, in which we as ONUSAL have gladly participated in tandem with the human rights ombudsman."]

Guatemala

UN Officials Working To Set Up Rights Commission

PA2809171794 Guatemala City Teleonce Television in Spanish 1900 GMT 27 Sep 94

[From the "Telepress" newscast]

[Text] Also within the framework of the peace process, members of the UN preparatory delegation that will help set up the UN Commission for the Verification of the Human Rights Agreement today met with Defense Minister Major General Mario Rene Enriquez Morales at his office in the National Palace. Aside from what was discussed during the meeting, Fernando Castanon, who

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heads the UN preparatory delegation, said he hopes the commission will be established soon.

[Begin recording] [Castanon] We are making every effort to establish the commission as soon as possible—within a week, if possible. Nevertheless, I cannot say exactly how many weeks this might take. Again, I cannot say, but we are working to make it happen as soon as possible.

[Unidentified reporter] Have there been any obstacles that have prompted this delay?

[Castanon] No, absolutely not. The only obstacles have been strictly administrative issues and UN logistics, but none of these have to do with the United Nation's authentic effort and commitment to establish this commission. We hope the commission can be set up soon and that a large number of its members can arrive in Guatemala in the near future.

[Reporter] Could they arrive next month, in October?

[Castanon] We hope so. Unfortunately, I cannot give you a date, although I would like to. We hope it will be as soon as possible.

[Reporter] [Words indistinct] today's visit?

[Castanon] At this moment, there is Mrs. Patricia Cleavis, an official from the UN Secretary General's Office, a Colombian anthropologist; Mr. Freddy Justiniano, an economist and official of the UN Development Program; Frigate Captain Manuel Martin Moa, a Spanish military adviser to the UN peacekeeping department in New York; and myself, Fernando Castanon, a lawyer and official of the UN Secretary General's Office in charge of this preparatory technical delegation of the UN Commission for the Verification of the Human Rights Agreement in Guatemala.

[Reporter] It has been said that you might meet with the URNG [Guatemalan National Revolutionary Unity] high command. Up until now, have there been any negotiations to facilitate such a meeting, or do you not intend to meet with them?

[Castanon] Our technical preparatory team is strictly focused on its objective, which is technical work in preparation—as I have already mentioned—of verification manuals and instructions for observers, as well as logistical and administrative arrangements for the arrival of the commission. As I said before, we are limited to this work. We have nothing to do with negotiations, the peace process, or any other action that might take place along these lines, because this would definitely fall under the purview of other offices within the United Nations. [end recording]

Honduras

Reina Rules Out Change in U.S. Ties Over Cuba

PA2909010394 Mexico City NOTIMEX in Spanish 2353 GMT 28 Sep 94

[Text] Tegucigalpa, 28 Sep (NOTIMEX)—Honduran President Carlos Roberto Reina ruled out here today a change in diplomatic relations with the United States due to the position he adopted at the United Nations regarding Cuba.

"Any position of dignity adopted by a country is respected," the president said upon returning on Wednesday from the United States, which he visited for six days and where he spoke at the UN General Assembly.

Reina said in his speech to the UN member countries that the U.S. position on Cuba "is not consistent with the (inter-American) interest of overcoming criticism and severe political and economic conditions."

He reiterated the Cuban crisis needs to be resolved within the framework of the OAS with the leadership of former Colombian President Cesar Gaviria, given it was that organization that expelled the Caribbean island from the inter-American system.

The president said the Cuban situation must be peacefully resolved [words indistinct] the use of force is to return to the past, at the same time he ruled out friction with the United States due to this position.

Reina stressed the importance of equality in relations among countries to resolve problems through dialogue.

"All countries hope the East-West tensions, which have ended, will not turn into North-South tensions," Reina said, adding Honduras will hold a seat on the UN Security Council as a nonpermanent member next year.

"We will represent all Latin America in the world organization," Reina added, rejecting criticism of opposition politicians who are underestimating the fact that Tegucigalpa will hold a seat in the leading UN body.

Nicaragua

FSLN Elects Departmental Leadership Committee

PA2809122294 Managua BARRICADA in Spanish 26 Sep 94 p 5

[Article by Juan Ramon Huerta]

[Text] Yesterday, Emmet Lang Salmeron was elected new Political Secretary of the FSLN [Sandinist National Liberation Front] in Managua. He received 137 votes out of a total of 150 votes cast during a secret ballot under the supervision of the Departmental Electoral Committee.

In addition to Lang, Henry Petrie Bejarano was elected Organizational Secretary with 141 votes and Edwin Castro was elected Treasurer with 128 votes. The remaining votes were null.

Also elected yesterday were the new 15-member Departmental Leadership Committee, six new departmental level assemblymen, the Ethical-Legal Committee, and the Electoral Committee.

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The Sandinist Renewal Movement did not nominate any candidate for these elections. The meeting began at 0930 and continued until the early evening hours.

Clorinda Zelaya, a Sandinist activist associated with the Renewal Movement, told BARRICADA that "the elections were held within a legitimate framework, but they would have been better if all the currents within the FSLN had been taken into account."

FSLN National Directorate member Lumberto Campbell countered that representatives of the different currents of thought within the FSLN had indeed been present.

Bladimir Soto, one of the candidates for the Departmental Leadership Committee who was soundly steamrolled [planchado]—as they say in electoral parlance—said there is still resistance by some members toward a more general agreement regarding the candidates. "I think that the general agreement reached in these elections was not very satisfying," Soto said..

"There is resistance toward giving younger members a position, even though we understand that plans for a strategy for the younger members do not necessarily originate from these positions, but from points of view that differ from that of these groups," Soto said.

Monica Baltodano, a member of the FSLN National Directorate, stressed the broad and balanced participation of the different territories and stressed the need for a general agreement regarding the candidates before the electoral process.

Some members yesterday criticized the prior preparation of listings for candidates, but Baltodano justified this method pointing out that "it allows us to balance the ticket, to make serious and clear commitments, unlike in the past when the candidates were chosen at the last minute and in the end did not fulfill their responsibilities."

Only four members of the FSLN National Directorate were present at yesterday's assembly: Bayardo Arce, Victor Tirado, Monica Baltodano, and Lumberto Campbell. It was reported that Victor Hugo Tinoco and Tomas Borge were out of the country.

Only one deputy was present, labor leader Damaso Vargas. Some 16 members of the National Sandinist Assembly were present, and two or three Managua councilmen.

The assembly yesterday elected Emilio Rappaccioli, Luis Enrique Mejia Godoy, and Reverend Sixto Ulloa as permanent members of that body.

New Departmental Political Secretary Emmet Lang expressed his satisfaction pointing out that 95 percent of the elected assemblymen were present and that their victory was due to the support of the 75,000 Sandinist members registered in Managua.

In addition to Lang, Petrie, and Castro, also elected to the Managua CDD [Departmental Leadership Committee] were Carlos Palma, Elias Chevez, Rosa Julia Esquivel, Maria Esther Solis, Iris Montenegro, Cesar Vasquez, Frank Gonzalez, Emiliano Martinez, Wendy Madriz, Carlos Espinoza, Deyanira Rodriguez, and Alcides Izaba.

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Argentina

Menem Continues Meetings, Speeches at UN

Meets With Israel's Peres

PY2909015394 Buenos Aires TELAM in Spanish 1946 GMT 27 Sep 94

[Report by special correspondent]

[Text] New York, 27 Sep (TELAM)—President Carlos Menem today pledged to Israeli Foreign Minister Shim'on Peres that he would do his best to contribute to the peace process in the Middle East.

Menem held an unscheduled hour-long meeting with Peres at the Waldorf-Astoria Hotel, where he is staying during his visit to this city.

Argentine diplomatic sources noted that during their meeting Peres gave a detailed explanation to Menem on Israel's latest steps to achieve final peace in the Middle East.

The sources added that the Argentine president assured Peres that "he was willing to do what he could to help achieve a cessation of hostilities in this area of the world, which has been so afflicted."

The sources also emphasized the significance of the meeting, explaining that it lasted an hour when it had been initially scheduled to last 15 minutes.

The sources also noted that Peres made an exception in going to the Waldorf-Astoria Hotel, as he was not supposed to carry out any activities on that day for religious reasons.

The sources added that this meeting served to dispel rumors about the alleged dissatisfaction of international Jewish sectors with Argentina over the lack of results in the investigations conducted into the Israeli Embassy and AMIA [Argentine-Israeli Mutual Association] headquarters bombings.

The sources explained: "If there is any dissatisfaction within official Israeli circles, Peres would not have come. However, he did, and it was a warm and relaxed meeting."

In this regard, the sources emphasized that Peres confirmed his country's willingness to cooperate with Argentina in investigating the bombings.

The sources also stressed that when Menem told his visitor that he plans to travel to Syria in late November, Peres asked Menem to hold a private conversation. The two of them thus stood up and held a private talk in an adjacent hall.

Foreign Minister Guido Di Tella; Raul Granillo Ocampo, the Argentine ambassador to the United Nations; Emilio Cardenas, the Argentine ambassador to the OAS; and other Argentine and Israeli officials were present during Menem's meeting with Peres.

The Argentine diplomatic sources said the contents of Peres' petition to Menem are unknown, because the Argentine president kept this matter to himself.

During their encounter Menem told the Israeli foreign minister that he had received an award from the organization "A Call to Consciousness," a group made up of political and religious leaders from all creeds and chaired by Rabbi German Schneier.

The diplomatic sources said both Peres and Menem agreed that relations between Argentina and Israel are "at an excellent level."

New York Archbishop Cardinal John O'Connor participated in the last part of the meeting. Later, O'Connor and Peres had breakfast with Menem. This part of the meeting was very cordial. While the three of them were posing for the photographers, Peres, in a joking tone of voice, noted: "Now it is two Catholics against one Jew." This remark made all the participants laugh.

Reaffirms Sovereignty Over Falklands

PY2809223094 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2124 GMT 27 Sep 94

[Article by special NOTICIAS ARGENTINAS correspondent]

[Text] New York, 27 Sep—Today before the UN General Assembly Argentine President Carlos Menem lamented "the reiteration of unilateral jurisdictional measures by Great Britain" regarding the Malvinas Islands, and warned that those decisions "complicate the possibilities of expanding existing agreements and achieving new ones."

Menem also said that "Argentina is prepared to preserve the life-style and idiosyncrasies" of the kelpers, and reiterated the willingness of his government to "establish direct and fluid links with them."

"It is very clear to us that the problem of the Malvinas Islands has an undeniable dimension that is related to the lifestyle and needs of the islanders," Menem said.

"We are willing," he said, "to evaluate every aspect, from communications to the legal and fiscal system, in order to seek logical and acceptable solutions for everyone."

Continuing with the topic of the Kelpers, Menem highlighted the fact that "the dialogue with the islanders is an element that cannot be separated from a civilized and rational solution to this problem."

In his address to the 49th UN General Assembly, Menem reviewed Argentina's position regarding fishing and the exploitation of oil on the islands, and highlighted

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the existence of agreements with the United Kingdom regarding "some aspects of the administration of some of the living resources."

"Above and beyond the satisfactory relationship that we maintain with the United Kingdom regarding the rest of our bilateral matters, I cannot but reiterate once again, as we do every year before this international forum, our sovereign rights over those territories," he emphasized.

Menem said that Argentina is concerned about "the persistence of the sovereignty dispute over the Malvinas, South Georgia, and the South Sandwich Islands and the maritime space that surrounds them."

The president also told the Assembly that the Argentine demand for sovereignty over the islands has this year "a special connotation" because the recent Constituent Assembly "has given constitutional hierarchy to the Malvinas question through the inclusion of a transitory clause that reaffirms our rights, indicating that the respect for international law and for the lifestyle of the population of the islands will be respected in their recovery."

Concluding the topic, the president said that "logic and reason point inexorably in the direction of cooperation and dialogue."

Holds News Conference

PY2809225294 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1106 GMT 28 Sep 94

[Report by unidentified special correspondent]

[Text] New York, 28 Sep (NA)—President Carlos Menem stressed here that diplomatic relations between Argentina and Cuba are "normal" but "there is no compatibility between the systems of government," emphasizing his demand for democratization in the Caribbean island.

Menem said that the lack of compatibility also "involves other countries in the world where democracy is blatantly absent."

During a news conference at United Nations headquarters yesterday, Menem also discussed the situation prevailing in Haiti. He emphasized: "It was not the United States that unilaterally decided to enter and invade this Caribbean nation."

Menem indicated: "The United States is complying with a UN resolution, and I fully agree with this resolution."

Menem said Argentina "is cooperating with this attempt to restore democracy in Haiti" because the latter has "a long history of dictatorships and military tyrannies."

Discussing again the issue of Cuba, Menem pointed out that "there is no democracy, liberty, or respect for human rights" in Cuba.

Asked about the relations between Argentina and Brazil, the president emphasized that "they will remain at the same level" because "they are excellent."

Menem also noted that the relationship between the two nations, as well as their Mercosur [Common Market of the South] partnership, does not depend on the upcoming electoral results in Brazil.

Asked about the Argentine overture of forming UN "white helmets" to struggle against poverty, Menem emphasized that U.S. President Bill Clinton "discussed this issue" on 26 September during his speech to the United Nations.

Menem also stressed that "world leaders," among whom he mentioned Pope John Paul II and Mother Theresa of Calcutta, have expressed their support for his overture.

In response to another question, Menem said: "Argentina and Iran maintain relations through their trade representatives, not through their ambassadors."

With regard to the terrorist bombing against AMIA [Argentine-Israeli Mutual Association] and the alleged Iranian connection, Menem said: "The case is under investigation." He emphasized that "there is a serious investigation" under way.

When a foreign journalist asked him why Argentina had first pointed at Iran and then seemed to go back on its claims, Menem noted: "No step back has been taken."

Menem argued: "Do not mistake the branches. The judicial branch, and not the government through the executive branch, filed the claim."

Menem noted: "Argentina is a country that respects press freedom." He emphasized that, among other measures, his administration "removed the right of rebuttal and contempt."

Menem also stressed that Argentina is "one of the few countries that dismantled a press cartel run by the state."

Asked about the Argentine stand on the UN Security Council, Menem said his government "agrees with increasing the number of its members, provided that the regional balance is not broken."

Menem announced that Argentina "might negotiate with other member countries on this possibility" of increasing the number of UN Security Council members.

Menem also confirmed that he will return to New York on 31 January 1995 to participate in the Security Council summit that will be chaired by Argentina.

Asked about the conflict with the United Kingdom involving sovereignty over the Malvinas Islands, Menem noted that it would be "all too fair" for the United Kingdom to accept "returning" this territory.

Asked about a disagreement between the Argentine Government and UN mediator for Haiti Dante Caputo

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over sending military troops to Haiti, Menem explained that the former foreign minister "does not represent Argentina" on this issue, as he was appointed by the United Nations and not by the Justicialist administration.

Uruguay Airline To Begin Flight to Falklands

PY2909023594 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2204 GMT 27 Sep 94

[Text] Montevideo, 27 Sep (AFP-NA)—The Uruguayan airline Air Atlantic's initial flight linking Montevideo with the Malvinas Islands, where a bloody British-Argentine war was fought in 1982, has been scheduled for 28 September, Air Atlantic sources confirmed to AFP.

Air Atlantic has been authorized by the Uruguayan Government on various occasions (1991, 1992, and 1993) to carry out the flights, but had to await Argentina's technical approval of the operation.

According to the sources, the company will carry out weekly flights (every Thursday) using Hercules C-130B airplanes for 24 passengers and 10,000 kg of cargo.

The sources pointed out that the initial flight, however, will not be of a commercial type, but will allow the pilots "to become familiar" with the scheduled route.

Within one or two weeks there will be regular flights, with a cost of $700 for a round trip ticket, $350 for a ticket from Montevideo to Mount Pleasant, and $550 for excursion tickets.

The sources also emphasized their optimism about the profitability of the route, bearing in mind how difficult it is now to fly to the islands via Santiago de Chile.

Air Atlantic, financed with Uruguayan capital, has also been authorized to fly twice a week to Brussels.

Editorial Views Post-Invasion Haiti Situation

PY2909004694 Buenos Aires CLARIN in Spanish 27 Sep 94 p 14

[Editorial: "What Was Avoided"]

[Text] Only a few days have elapsed since the unexpected outcome of the U.S. military intervention in Haiti, yet the first results of the mission headed by [former U.S. President] James Carter—which, according to Carter himself, was subsequently deactivated by President Clinton against his will—are already beginning to be felt.

Nevertheless, the significance of this last-ditch mission outside all formal mediation channels in a race against time to prevent an already decided armed intervention—which managed to obviate a bloody occupation and, quite simply, the disappearance of the poorest country in the hemisphere—has not been sufficiently stressed.

This small portion of an island, which used to be considered strategically unimportant and was savagely despoiled, has become the overriding concern of the first military power in the world and the trial run for the most daring (and uncertain) experience of the post-Cold War era.

It could have been different. The virulence of Panama 5 years ago, the imperial overwhelming of Grenada 11 years ago, or the more recent fiasco in Somalia, could have been repeated. The Cedras regime would have fallen, and several thousands would have fallen with him.

The open transition will be less overwhelming. It will have its costs, and there will be no certainties until the spaced out objectives have been achieved: The repressive apparatus must be disarmed, the usurping members of government must be replaced, the legitimate president must return to power, and the constitutional mechanisms that were provided for after Duvalier's fall must begin to function.

Meanwhile, it is as yet unknown if the United States will act as Haiti's protector with a multilateral UN mandate, or whether it will be the United Nations that will have the real power to guarantee Haiti's self-determination even if it uses the dissuasive force of the Marines to do so.

This column has already warned that no matter the methods used to end the Haitian crisis, a crucial moment would begin at that time. The tasks of reconstruction, the ending of the flagrant violations of human dignity, the refounding of an independent state, and the installation of the minimum conditions of life for its more than 6 million inhabitants sunk in cruelty and misery, forms an ambitious agenda that has—for the past week—compromised an assorted international caucus that includes our country.

It is a historic occasion for economic and social problems and for a new opportunity for hemispheric relations to leave the rhetoric of international summits and make a concerted effort for development. Following what could have been avoided, we must now know how to anticipate what will come. Latin American countries, through the OAS, must recover the initiative.

Correction to Menem Urges Peronists To Support Program

PY2709192794

The following correction pertains to the item headlined "Menem Urges Peronists To Support Government Program" published in the 17 September 1994 Latin America DAILY REPORT, page 37-38.

Page 37, column two, paragraph nine, only sentence, read ... when one Peronist criticizes another Peronist, he has joined ... (providing dropped words)

Bolivia

Daily Views 'Repugnant' Haitian Invasion

PY2809202994 La Paz LA RAZON in Spanish 20 Sep 94 p 5A

[Editorial: "Haiti Will be Invaded Anyway"]

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[Text] At the very last minute, the Carter mission changed the Haitian situation. The impressive U.S. Navy contingent—two nuclear aircraft carriers, dozens of warships carrying 20,000 well-trained and well-equipped professional soldiers—never received President Clinton's order to launch the military invasion of Haiti which was to have been defended by a weak army of 7,000 poorly-equipped men.

The weekend negotiations by former President Jimmy Carter and his small team wrested from the Haitian military dictators a decision to leave power, thus allowing the return of Jean-Bertrand Aristide, the only democratically elected president in the history of Haiti. There are, however, many doubts surrounding Aristide, a Catholic priest who was expelled from the religious order to which he belonged. He upholds Marxists ideas and promotes the liberation theology. He has undergone psychiatric treatment and his record includes contacts with the Ton Ton Macoutes. Legally speaking Haiti is a democracy and Aristide is the president. This, particularly for the Untied States, is quite meaningful.

Aristide's return is to be preceded and supported by foreign military troops. Even though they are UN troops, they are predominantly from the United States. Thus, the island is, and will continue to be, subjected to a military invasion, although not a violent one.

The UN Charter states that invasion is inadmissible because it violates the fundamental principles of nonintervention and the self-determination of countries. "The democratic faith"—as [renowned Argentine political analyst] Mariano Grondona described it—is a determining factor for the United States just as the Catholic Faith inspired the Spanish Empire in all its conquests and colonizations. There are other reasons that also play an important role in this invasion; they include geographic proximity, the weakness of the country to be invaded, and national security. Among these, the last is very important. The United States is warding off thousands of Haitian refugees from its territory because they cause social, political, and economic problems. With other neighbors that are also suffering migration problems, the United States is adopting measures to resolve the problem. It cannot invade Mexico, for example, because—among other things and in its own particular way—it is a democracy; as for Cuba, it would have to confront an Army that is not as weak as the one in Haiti.

Does this mean that for the United States the end justifies the means? "Democratic Faith" is in itself is undoubtedly a noble cause, and so are national security and national defense—both of which are legitimate causes. Any invasion, violent or "peaceful," is repugnant and highly dangerous.

What if—at a given time and if national security is seriously threatened by psychotropic drugs—the United States decided to invade the countries that produce the raw materials for drugs and the countries that manufacture them? No pretexts are needed because these countries—Bolivia, Peru, Colombia—are incapable of controlling this lethal production. Faced with this, the United States could decide to invade—in this case by violent invasion—with its Army with the full backing of a UN resolution because any argument can be justified. The principle that the end justifies the means, which is inadmissible from all points of view, will apply in this case just as it does in the case of Haiti.

Quiroga: DEA Will Not Leave; Calls for Cooperation

PY2809234794 La Paz HOY in Spanish 23 Sep 94 p 5

[Text] Government Minister German Quiroga has stated that the DEA will not leave the country. This is a definite decision of the executive branch that is endorsed by international drug enforcement agreements signed by the government.

Referring to proposals by several sectors that favor a withdrawal of the U.S. agents from the country, Quiroga said: "We have signed international drug enforcement agreements and conventions. To consider their (the DEA agents) departure is like expecting Interpol to leave—and we will not allow that."

The minister added that it is out of the question because it would imply "that the country does not want to fight against drugs." The withdrawal of DEA agents from Chapare was proposed by the coca producers who recently marched to La Paz.

Quiroga said: "Democracy has its limits, that is, accepting what the majority and not the minority wants," adding: "Coca growers amount to about 100,000, including those from Yungas, and we are not going to break an international agreement just like that."

Quiroga said an adequate struggle against trafficking is needed and this will only be possible with DEA cooperation. Official reports state that the DEA has more than 14 agents in Chapare.

The minister insisted: "We will not ask for more agents; but DEA logistic support is necessary, especially in the information and intelligence fields."

Quiroga recalled that trafficking rings are not only in Bolivia; they belong to networks that work with mafias established in other countries. He said: "We need their cooperation and information on networks established in Argentina, Paraguay, Peru, Colombia, the United States, and Europe."

He said coca growers must fulfill the agreement they signed with the government to contribute to this effort, and added: "I hope coca growers will tell Umopar [Mobil Police Unit For Rural Areas] the locations of maceration pits so their task will be more effective."

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Quiroga asserted: "When this happens we can review the drug enforcement program. Meantime, the operations continue."

The government minister reiterated that Operation New Dawn will continue indefinitely in Chapare, exclusively against traffickers.

He said the information obtained through this operation, and two other important operations in Santa Ana and one in Santa Cruz, enabled the capture of one Colombian and two Peruvians, and the dismantling of two important rings.

Study Claims Cocaine Trade Employs 200,000 People

PY2609231394 Santa Cruz EL MUNDO in Spanish 18 Sep 94 p 3

[Text] La Paz, 17 (ANF)—A study conducted by the Muller Associates consulting firm shows that more than 200,000 people are directly working in the coca-cocaine economic process, thus confirming that this activity makes an intensive use of manpower.

The study notes that by absorbing 9.5 percent of the work force, the coca-cocaine industry is playing a leading role in creating jobs.

The study adds that the industry employs 122,000 coca growers, 45,000 loaders, 6,725 coca market operators, 9,000 manufacturers of cocaine paste, 22,500 coca macerators, and 2,000 "narcotraffickers."

These are estimates on the use of manpower required in the various stages of the cocaine production process; that is, plantation, harvesting, marketing, transport, and manufacturing of cocaine paste.

Muller cites figures from the Agriculture Secretariat to the effect that a total of 61,000 families are involved in coca production (36,000 in the Chapare, 23,000 in the Yungas, and 2,000 in Santa Cruz). Assuming that each family engaged in coca plantation consists of two people, the number of people employed in this activity would total 122,000.

Muller adds that the marketing of coca leaves takes place in 15 Chapare and Yungas markets. It cites investigations by Federico Aguilo contending that each market consists of an average of 830 buyers. If each buyer has access to two markets, the number of buyers would total 6,225. If we add to this figure the 50 buyers who do not participate in any of these markets and the loaders working in these markets (30 loaders per market), the total number of people employed would total 6,725.

The processing of cocaine paste is carried out in family-run laboratories. For obvious reasons, it is not known exactly how many of these laboratories are operating. Taken as a reference, however, is the number of factories destroyed annually by police forces: 1,500.

Muller's study considers it to be reasonable to assume that the real number of cocaine factories triples that of the number of destroyed factories, thus assuming that there are 4,500 cocaine paste laboratories in Bolivia. Assuming that two members of each family work in a factory, there would be 9,000 people working in these factories.

Assuming that that each cocaine paste factory employs five "macerators," there would be 22,500 "macerators" working in the country.

To haul the coca leaves, factories hire loaders who are also known as "sepes." Assuming that 10 loaders are working in each of the 4,500 factories, it is estimated that there are 45,000 people who are carrying coca leaves on their backs through the jungle.

Citing DEA figures, the study notes that 35 percent of the Bolivian cocaine paste is processed within the country and becomes cocaine hydrochloride, while the remainder is processed in Colombia. It is estimated that 2,000 people are involved in the processing of cocaine paste and its export to Colombia and Brazil.

Nearly 500 soldiers of the Mobile Police Unit for Rural Areas (Umopar) are not only fighting the production of and trafficking in controlled substances, but also have to endure tough living conditions in light of their meager salaries, "which do not adequately compensate them for the tough fight they have to wage against drug trafficking 365 days per year."

Reports from the administrative office of the National Police show that most personnel in Umopar and the Special Antinarcotics Force earn less than 400 bolivianos monthly. A police corporal earns 460 bolivianos; a junior lieutenant, 645 bolivianos; a lieutenant, 750 bolivianos; a captain, 840 bolivianos; a lieutenant colonel, 1,300 bolivianos; and a colonel, approximately 1,700 bolivianos.

According to official reports, in addition to the above salaries paid from the National Police budget, the personnel involved in drug enforcement operations receive "small rewards and incentives" paid by the United States Embassy.

Captain Freddy Soruco, chief of operations of the Chimore-based Umopar unit in the Chapare region, told the Fides News Agency that with 14 years of service in the police and four in the antinarcotics force, he is going through a difficult socioeconomic situation because of the "extremely low" salary he earns every month.

Soruco said: "We work every day of the week, month, and year. We are not entitled to holidays." He added that one thing the Umopar personnel need most is life insurance to somehow guarantee the future of their families. He added: "Although we have time and again received promises from ministers and commanders, we have never had life insurance."

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Article Examines Freezing of Coca Eradication Program

PY2309212794 La Paz HOY in Spanish 11 Sep 94 p 2

[Text] The "zero option" policy, a term that became fashionable last week, is essentially an operative strategy for the total eradication of surplus coca plantations, but according to the government the option remains "frozen." The government has been carrying out a tough confrontation with Chapare coca producers for the past three weeks.

According to several antinarcotics officials, the fact that this option is frozen does not mean that it still remains a latent possibility.

Coca producers support the idea of reactivating the "disastrous" alternative development policy, the failure of which was recognized by the president of the Republic. However, the most important antinarcotic agencies, the Special Antinarcotics Force (FELCN) and the Armed Forces, consider it the most viable strategy for a comprehensive fight against drug trafficking.

Social Defense National Secretary Mario Soliz Valenzuela confirmed to HOY that the "Zero Option" is frozen for the time being, stressing that the executive branch supports the idea of promoting the voluntary replacement of surplus coca plantations through the implementation of true alternative development in the conflict-prone Chapare region.

In the opinion of FELCN commander General Renato Lopez Leyton, the influence of alternative development programs in the overall picture of the fight against drug trafficking is indispensable for overcoming possible limitations in the field of interdiction, which is the FELCN's main responsibility.

General Fernando Sanjinez Yanez, Armed Forces commander in chief, said that the problem of drug trafficking must be faced from different angles, but particularly by giving priority to the alternative development program.

"As of now alternative development programs will have a new emphasis, and will include the participation of coca producers, who will have the last word, together with the experts, in the definition of the program's content," Secretary Soliz said.

According to government officials, the conflict between coca producers and the government, which was aggravated by the march of coca producers to La Paz, "is the product of a lack of understanding between both parties, despite the many points and interests they have in common."

The "Zero Option," presented as an alternative solution by Gonzalo Sanchez de Lozada's administration to Paris Club representatives in Washington in December 1993, became from that day on the river that divided coca producers from the executive branch.

Coca producer leaders believe that the "Zero Option" hides the underlying objective of "militarizing" the fight against drug trafficking, and heralds violence in the Chapare region, which is classified as a "red zone" due to the presence of "narco" networks.

The government says that the "Zero Option," as a solution, is frozen, and has announced the application of alternative development programs derived from the "Master Plan for Cochabamba's Tropical Region" that was elaborated by the appropriate under secretariat.

"Our purpose is to transform the Chapare region into a true pole of development in order to replace the coca-cocaine economy for a legal economy," Soliz said.

The possible participation of the Army in a frontal fight against drug trafficking in order to make the "Zero Option" viable was outlined by opposition politicians, who denounced the U.S. Government's increased financial support to the Armed Forces with this goal in mind.

General Sanjinez told this newspaper: "Regarding the issue of 'millions' in new funds for the Armed Forces, I want to make it clear that military commanders do not intervene in the decision as to whether the money is available, or how it is used, because obviously those funds are not directly or indirectly related to the national defense system, which is the Armed Forces' natural field of activities."

According to opposition politicians, the current administration is facilitating the military's entry into the fight against drugs through Section "C" of the antinarcotics documents signed by Bolivia and the United States on 30 August 1993.

According to what has been said, we can infer that a presidential order is no longer indispensable to the Army's full participation in the fight against drug trafficking, as was established, at least, in the so-called Annex 3 signed by former President Jaime Paz Zamora.

Fernando Sanjinez Yanez corrected this conclusion, saying that the Armed Forces "will intervene in the fight against drug trafficking when and if the head of state, in his capacity as commander in chief of the Armed Forces, orders such an action."

Renato Lopez Layton said that the FELCN has so far not been overwhelmed, meaning that military assistance in interdiction efforts is still not necessary.

The presence of 25 U.S. military advisers in the country, who are allegedly coming to instruct antinarcotics agents, and the $51 million in military cooperation aid to the Armed Forces makes coca producers feel uneasy. They fear the worst from the issue of total eradication of surplus coca plantations.

Commentary Views Problems in Coca Eradication Program

PY2609224494 La Paz Television Nacional Network in Spanish 0100 GMT 22 Sep 94

[Report by Amalia Pando]

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[Text] In Bolivia, the main and almost exclusive concern of the U.S. Government, which invaded Haiti on 19 September, is the eradication of coca farms. In 1988 this concern was fulfilled through the implementation of a national law: Law 1008. The issue can be summarized as follows: There are 50,000 hectares of coca farms. Of this, 12,000 hectares are legal farms in the Yungas region, and in the Carrasco and (?Piraque) regions of Chapare. Under Law 1008, the other 38,000 hectares in Chapare are illegal.

Everyone knows excess coca production goes to manufacture drugs. Social Defense Secretary Mario Soliz admits it is increasingly difficult to enforce Law 1008 and eradicate these 38,000 hectares.

[Begin Soliz recording] By this time of the year, we should have already eradicated approximately 8,000 hectares. Thus, in less than five years, all excess coca farms should have been eradicated. [end recording]

This is impossible. Not even half the eradication goal was achieved last year, and this year not even one fourth of the objective has been fulfilled. Is this a categorical failure?

[Begin Soliz recording] Yes, this is what I believe led President Sanchez de Lozada to say that the alternative development program has failed. Farmers have not chosen an alternative product and continue to farm coca. In view of this the country has lost about $50 million. This is the amount granted to the coca farmers who first decided to eradicate their coca but who after receiving $2,500 decided to replant coca somewhere else. [end recording]

A total of 26,000 hectares have been eradicated on the basis of Law 1008. In exchange for this, coca producers received $50 million. The farmers replanted 23,000 hectares of coca. Thus, only 3,000 hectares of coca have been eradicated in all these years. This has cost $50 million.

For 300,000 peasants in Chapare, coca leaf represents a fixed income every four months and a good price despite the eventual drop in prices caused by antidrug operations. The United States wants to eradicate coca at any cost but the government has not yielded.

The second U.S. objective in Bolivia is to lower the price of coca to curtail its proliferation. This is the objective of massive repressive operations in Chapare. Operation New Dawn has taught us a lesson. During the first few days of the operation, coca prices dropped to 90 bolivianos per 50 pounds of leaves. The operation has yet to be completed but coca prices are back up to 180 Bolivianos.

While coca continues to be a good source of income, will it be impossible to eradicate it?

[Begin Soliz recording] I believe the country obtains minimum benefits through the coca-cocaine circuit. Clear evidence of this is the current standard of living of peasants compared to 8 years ago: Chapare residents are still as poor as they were 8 years ago. [end recording]

Coca farmers want the decriminalization of coca, but Soliz does not believe Bolivia will be able to do this on its own, because the entire world considers coca leaf a forbidden drug in view of a Vienna Convention resolution.

What would happen if the Bolivian Government allowed the free farming of coca?

[Begin Soliz recording] Almost immediately the number of coca farms would double and the entire production would be used by traffickers. Therefore, instead of overcoming the trafficking problem, Bolivia would become a huge cocaine-manufacturing center. [end recording]

The United States will not allow this to happen. It would cut its credits and demand that the IMF, the World Bank, and all other countries cut their donations and foreign credits to Bolivia. The government and coca farm leaders are perfectly aware of this. What can we do then?

[Begin Soliz recording] We will hold a second round of negotiations with financial institutions next week. [end recording]

Soliz believes we can leave aside the U.S. policy by getting cocaine-consumer countries to invest about $300 million per year to combat poverty, which is the source of cheap labor for trafficking, and to assure a dignified and certain income for farmers who plant pineapple or bananas.

The United States only grants $14 million and the United Nations $8 million for the alternative development program. Some $300 million per year is needed to eradicate all coca farms without violence or impoverishment of the Chapare region. Are the United States and European countries willing to do their part in this struggle?

Imminent Changes Expected in High Military Command

PY2709234994 La Paz HOY in Spanish 20 Sep 94 p 5

[Text] Sources close to the government and to the Armed Forces Command said yesterday that the announced crisis in the Armed Forces High Command, involving at least three military chiefs, is due to occur early in October, which is only about two weeks away.

According to the information obtained, it is almost certain that Armed Forces Commander General Fernando Sanjinez and Armed Forces General Staff Chief General Moises Shiriqui will be relieved. The two officers already have 30 years of service. According to the new Armed Forces Organic Law this service will be increased gradually to 35 years.

To complete the change of three high-ranking military chiefs, there is the case of Navy Commander Julio Molina, who is being replaced by the second in command, Remberto Barrios. Gen. Shiriqui had been constantly mentioned as a possible successor to Gen. Sanjinez, as he is second in command and according to regulations can replace Sanjinez when he is absent or in case of trial.

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Regarding the other members of the High Military Command, most of whom graduated in 1965, it is possible they may be relieved from their high positions but kept in the Armed Forces until they reach 30 years of service, which is the minimum service for retirement established in the military regulations.

A high government official said: "In addition to the fact that the time for changes has arrived, the changes will be made to help make more coherent and adequate promotions. Everything is within regulations, nothing is going beyond them."

The sources pointed out that Army Commander General Reynaldo Caceres will probably become the new Armed Forces commander, while Air Force Commander General Jose Perez would become chief of the Armed Forces General Staff.

In the Navy, it is a fact that Vice Admiral Remberto Barrios will replace Navy chief Julio Molina, who has been accused of sexual harassment. The sources did not want to comment or identify who would become the commanders of the two other forces. They said: "The High Military Command structure will be decided on by President Gonzalo Sanchez de Lozada, who is the commander in chief of the Armed Forces."

Brazil

Superior Electoral Court Rules on Exit Polls

PY2809192594 Sao Paulo AGENCIA ESTADO in Portuguese 1709 GMT 28 Sep 94

[Text] Brasilia, 28 Sep (AE)—The Superior Electoral Court has given instructions on election coverage to the polling institutes and the media: Exit polls can only be disseminated after 2300 on 3 October [0200 GMT on 4 October].

Cardoso Discusses Telecommunications, Informatics

PY2809221094 Rio de Janeiro O GLOBO in Portuguese 26 Sep 94 Informatics Section p 1

[Interview with Fernando Henrique Cardoso, presidential candidate for the Brazilian Social Democracy Party, PSDB, by reporter Cora Ronai: questions faxed to PSDB campaign office on 21 September, answers faxed on 23 September]

[Text] [Ronai] What is your proposal for telecommunications? Will your government invest in the area?

[Cardoso] The basic point of my program for telecommunications is the relaxation of the state monopoly. I will send this proposal to Congress as part of the constitutional reforms I want approved in order to make the Brazilian Government more effective and dynamic. This obviously will not solve all the problems. The government will promote a broad debate so as to consolidate a final proposal to regulate the area, which must be voted on by Congress.

My idea is to open the area to private investment, through public biddings or a partnership with the government, so as to increase the range and quality of the services. I also want to implement mechanisms to strengthen the state's power to regulate and limit governmental influence on strategic aspects of the social area and national interests. Public assets will be entirely protected.

Development in the area requires huge and urgent investment. It is inconceivable that only 8 percent of the Brazilian population have telephones. The country is also inconceivably behind in informatics technology, which is fundamental for the development of the economy and of society itself.

My government program contemplates investments in the area of 18.2 billion reals. Of this, 16 billion reals will be used to expand the telephone system by adding 2 million new telephone lines to the system per year. The remainder will be invested as follows: 700 million reals to finance the first stage of linking Brazil to the international fiber optics network and the construction of the Embratel [Brazilian Telecommunications Company] basic network; 500 million reals to replace electromechanical telephone exchanges; 100 million reals to start the Telebras [Brazilian Telecommunications, Inc.] Intelligent Network; 200 million reals to expand the network of public telephones that accept credit cards; and 300 million reals more to expand the Pro-Rural project that is of paramount importance for the development of agriculture, which is one of my government top priorities. I plan to order feasibility studies on a network of low-orbit satellites for about 300 million reals.

[Ronai] Is there any plan to reduce current import taxes, specifically in the area of informatics, even after the Common Market of the South [Mercosur] begins operating?

[Cardoso] The end of the reserved informatics market in 1992 enabled the area to substantially improve quality and productivity levels as a result of its international opening. As the government wanted to open the Brazilian informatics area gradually, import taxes remained relatively high compared to other taxes in Brazil. This is why debates about the establishment of a common fee for informatics, within the framework of the Mercosur, were very heated. Particularly because Brazil wanted to keep taxes high.

[Ronai] Are there plans to unify the industrial policies for the areas of informatics and telecommunications?

[Cardoso] To make the overall industrial development in the country feasible, it is indispensable to harmonize the industrial policies of sectors that comprise the electronic

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complex, such as consumption electronics, microelectronics, informatics, and telecommunications. All of these sectors will receive special attention in my government, be it in regard to industrial policy or scientific and technological development.

It is always good to point out that informatics play an extremely important role in the economy of a country: It is a modernization and productivity tool. The government must implement permanent policies leading to continuous innovation and the achievement of new technologies, thus keeping up with international advances.

Workers Party Telecommunications Program Explained

PY2809224994

["Excerpt" of the Workers Party, PT, government program faxed on 24 September by PT campaign office in response to a questionnaire faxed on 21 September by reporter Cora Ronai to PT presidential candidate Luiz Inacio Lula da Silva; quotation marks as published]

[Text] [Ronai] What is your project for telecommunications? Will your government invest in the area?

[PT program] "The current Brazilian telecommunications model is inappropriate for most Brazilians. Those who administer it have always directed investments and decisions toward telecommunication services that support the development of strong, national and international economic groups—the ones that have always dominated politics in their countries.

The priorities of the area were consistent with the economic project called the "Brazilian miracle." Thus, we currently have a telecommunications system which—although sophisticated, modern, and capable of competing in quality with the best in the world—is also characterized by the elitism of its services, its inaccessibility to most of the people, and its estrangement from the objectives of the basic areas of social development.

The policy suggested for telecommunications services is based on a model of exploitation of public services established in Paragraphs XI and XII of Article 21, of the Constitution. We will maintain the government monopoly in this field to ensure that telecommunications activities follow the designated strategic concept.

This model does not, however, include all aspects of public telecommunications services. Thus, policies must be defined within the following guidelines:

The National Telecommunications, Informatics, Information, and Communication Policy (PNTIIC) must include and implement:

—A National Human Resources Development Program for the National Telecommunications, Informatics, Information, and Communication System
—A National Research and Development Program for the National Telecommunications, Informatics, Information, and Communication System
—The drafting a public investment plan to incorporate new towns to the National Telecommunications System and to extend basic services to all

Regarding juridical and legislative aspects, it is necessary:

—To modify the Brazilian Telecommunications Code
—To approve the Cable Transmitting Law which regulates the installation of "electronic highways"
—To draft a National Telecommunications, Information, and Communication Plan and to restructure the National Informatics and Automation Plan
—To draft a Telecommunications, Information, and Communication Law which must include the National Telecommunications, Information, and Communication Plan and a National Communication Fund, as suggested on Chapter II of this program

To totally implement the PNTIIC, it is also necessary:

—To annul the provisions that disorganized the Brazilian telecommunications system. These provisions inhibit the development of the telecommunications industry, the rendering of services, and hold back scientific and technological progress.
—To restructure the organization and administration of the current telecommunications system from the organizational and administrative point of view, considering the public characteristic of this system. This means redefining the role of elements that constitute the Brazilian telecommunications system (Brazilian Telecommunications, Inc. Telebras, Brazilian Telecommunications Company, Embratel, and state companies).
—To restructure the Telebras system through management contracts [contratos de gestao: a contract for administration through which production goals are set for a public company in exchange for administrative autonomy], seeking to execute the National Telecommunications, Information, and Communication Plan, which defines the objective goals of the PNTIIC that was approved by Congress.

Cardoso, Lula View Privatization, Other Issues

Social Security System

94SM0470A Rio de Janeiro JORNAL DO BRASIL in Portuguese 14 Aug 94 p 5

[Answers by presidential candidates Fernando Henrique Cardoso, Brazilian Social Democracy Party, PSDB, and Luis Inacio Lula da Silva, Workers Party, PT, to questions submitted to all candidates by JORNAL DO BRASIL. One of a series of articles.]

[Excerpts] [JORNAL DO BRASIL] Are you in favor of privatizing the Social Security system? Why, or why not?

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[Cardoso] No. I am in favor of a public, universal, and compulsory Social Security system, within the spirit of the Constitution. What must be done—and what I am going to propose to Congress—is to refine the current system to make it simpler, to reduce the burden of the contributions on payrolls, and to allow for differentiated levies of contributions, depending on the size of a company and its branch of business. We must also take steps to strengthen and encourage complementary pension plans; these can be either public or private.

[Lula] The basic public Social Security system, which operates on the basis of sharing, is a living element of the principle of solidarity upheld in the Constitution. Retaining it ensures a minimum benefit for everyone. However, we advocate complementary systems. Our administration will faithfully carry out the Constitution so as to maintain the basic public system with income brackets up to 10 minimum wages. At the same time, we will encourage private initiatives. The important thing is to immediately implement a plan to restore the value of the minimum wage and the benefits. The subject also deserves to be debated with civil servants and military personnel.

[JORNAL DO BRASIL] How will you administer the deficit in the Social Security system, if elected?

[Cardoso] The Social Security deficit is a direct consequence of continued increases in expenses, coupled with the difficulties of increasing revenue—in addition to fraud, cheating, bureaucracy, and diversion of funds. My administration will combat irregularities and waste. Tackling the matter from another angle, we are going to streamline the administration, make it more efficient, and expand the revenue base without burdening payrolls. I am studying several proposals in this regard, one of which would replace the payroll contribution with a levy on value-added.

[Lula] Today the elderly are being put through hell because tycoons are defrauding the Social Security system so that they can keep living like nabobs. We will settle the problem by the end of our administration. The diagnosis has already been made. There has been a drop in revenue, as well as a major informalization of the labor market. To make things worse, there is no system of controls to discourage cheating and fraud. The cases that have been discovered have not served to establish an auditing policy. We are going to think about a policy of contracting labor via the market.

Big Public Works Projects

94SM0470B Rio de Janeiro JORNAL DO BRASIL in Portuguese 21 Aug 94 p 8

[Answers by presidential candidates Fernando Henrique Cardoso, Brazilian Social Democracy Party, PSDB, and Luis Inacio Lula da Silva, Workers Party, PT, to questions submitted to all candidates by JORNAL DO BRASIL. One of a series of articles]

[Excerpts] [JORNAL DO BRASIL] Are big public works projects compatible with an economic stability program?

[Cardoso] Brazil needs lots of public works projects, and some of them could be big ones. There are projects that need to be tackled urgently to prevent, or to unclog, bottlenecks in the infrastructure. The important thing is to harmonize those needs within a well-thought-out investment plan. For example, you cannot stop work on transportation projects that will integrate parts of the North and West Central regions with the rest of the country. And projects to transmit electricity are an absolute priority in areas where blackouts are an imminent threat. My team of advisers is working to prudently determine just how much the country can invest during the next four years. In selecting priority projects for my administration, we are being careful to prevent a pulverization of resources. We will not start a project unless it responds to the real needs of the population and has a beginning, middle, and end. In short, my position is that fiscally responsible investments can be given priority without compromising the stability of the economy.

[Lula] Our plan is not to undertake major public works projects, those so-called "white elephants." But we are going to accomplish some major tasks and restore the State's capacity to invest in infrastructure. Transportation, energy, and telecommunications deserve special attention. In the social area, health and education are on the list of priorities. To do that, it is important to change the system of collecting revenues and modify budget priorities. We are going to crack down hard on tax cheats and undertake genuine tax reform, including lightening the load on sectors that are now overburdened, and applying the concept of progressivity. Another serious concern is the elimination of questionable expenditures on both large and small government projects.

[JORNAL DO BRASIL] During your administration, would you authorize diversion of the waters of the San Francisco River?

[Cardoso] The plan to relocate the course of the San Francisco River needs to be studied more thoroughly before any final decision is made. It is an ambitious project that directly affects thousands and thousands of people in four states, besides having repercussions on others. It involves a much higher volume of resources. For all these reasons, it is a plan that needs to be discussed further, and we should even study alternative projects, for purposes of a prudent comparison of the cost/benefit ratio. It is the kind of investment that requires the official who authorizes it to be very certain of its technical and economic feasibility. It is inconceivable that a country with enormous economic problems should indulge in the luxury of abandoning, halfway through, public works projects in which a lot of public money has already been invested. To permanently abandon those projects is to throw taxpayer's money away, and that is intolerable.

[Lula] No. That is a foolhardy project. It reminds me of the mega-projects carried out by Dom Pedro II. Besides,

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it does not take into consideration the potential ecological damage to that whole region. It is a project that reeks of financial shenanigans and will surely benefit a group of large landowners. This means the productive benefit will once again end up in the hands of a few. I am going to promote important changes in the Northeast, by investing in irrigation and job creation. But it won't be done with gigantic projects that only promote the image of the government.

Your First Decision

94SM0470C Rio de Janeiro JORNAL DO BRASIL in Portuguese 28 Aug 94 p 16

[Answers by presidential candidates Fernando Henrique Cardoso, Brazilian Social Democracy Party, PSDB, and Luis Inacio Lula da Silva, Workers Party, PT, to questions submitted to all candidates by JORNAL DO BRASIL. One of a series of articles.]

[Excerpts] [JORNAL DO BRASIL] If elected, what will be your first government decision?

[Cardoso] My first governing as president will be to propose to the National Congress and to society as a whole an agenda of reforms in the Constitution. I believe some changes are urgent: reorganizing the State; reinvigorating the Federation; reforming the Social Security, tax, and fiscal systems; creating a stable source of financing for social policies; and making the government monopolies in telecommunications, petroleum, and energy more flexible. A reform of the State will enable us to replace the bureaucratic, welfare-oriented, and corporativist model with a public, democratic, modern, and efficient State. We also have to create a new Federation in which states and municipalities assume the responsibilities they share with the federal government, via decentralization. Tax and fiscal reform should simplify and modernize the existing system, expand the revenue base, restore the capacity for revenue generation, and eliminate fraud. We have to modernize, and also computerize, the Social Security system. The need to make the government monopolies more flexible reflects the State's loss of investment capacity. In the energy sector, just resuming work on the 17 power plants whose construction has been suspended would require an immediate investment of R$10 billion, which does not exist. We are not talking about privatizing or abolishing companies like Petrobras [Brazilian Petroleum Corporation] or Telebras [Brazilian Telecommunications, Inc.] They will be kept, but could open themselves to competition, or partnership with private enterprise.

[Lula] A democratic and people-oriented administration, as mine will be, cannot fail to make its first step the organization of emergency actions against hunger. There are 32 million Brazilians who cannot wait for constitutional reform, for interminable debates on taxes and the budget. The other day I read in the paper about a three-month-old baby boy who weighed only 1.9 kg. What will become of that child, if he survives? What kind of modernity are the *tucanos* and their friends the colonels preaching, if they are not paying attention to the social tragedy being played out in our public squares and the spaces beneath the underpasses?

[JORNAL DO BRASIL] What specific steps would need to be taken to make that decision produce results?

[Cardoso] In the first place, my administration will resume a dialogue with all the parties, even those who opposed the constitutional revision of 1993, and with the public at large to demonstrate the need, and the urgency, of those reforms. Incidentally, it was precisely because of the absence of a consensus that the 1993 revision failed. And attempts to use steamroller tactics did not work. A constitution must always be revised on the basis of consensus, not confrontation.

[Lula] Our emergency plan must expedite shipment of food to the affected regions, in contrast to what the present administration has been doing. We are all going to pitch in to set up efficient supply lines, using every available kind of transportation. We will try to act quickly to set up labor brigades *frentes de trabalho* to put people to work on projects such as basic sanitation, thus providing a minimum income to the unemployed and indigent. Emergency action providing lines of credit and support for the small farmer would also help in terms of employment. In structural terms, we must not forget how urgent it is to achieve tax and fiscal reform in this country.

A Majority in Congress

94SM0470D Rio de Janeiro JORNAL DO BRASIL in Portuguese 4 Sept 94 p 14

[Answers by presidential candidates Fernando Henrique Cardoso, Brazilian Social Democracy Party, PSDB, and Luis Inacio Lula da Silva, Workers Party, PT, to questions submitted to all candidates by JORNAL DO BRASIL. One of a series of articles.]

[Excerpts] [JORNAL DO BRASIL] No party, despite alliances, will have a majority in the future government. What can you do about that?

[Cardoso] My campaign has always been conducted so as to not only to ensure my victory, but also guarantee a legislative majority right at the ballot box. That is not easy to do, especially in a country as large and diversified as Brazil, and especially with a party system like ours that is a regular patchwork quilt. But it is not impossible. That is why we have kept two things in mind as we built an electoral alliance: victory in the presidential election, and a majority that will give the future administration support and attend to the country's larger interests. Everything has been done openly and aboveboard. If a majority is not obtained through the elections, I will not [as published] be itching to negotiate later to expand that base of support by forging serious alliances on the basis of common goals and a well-defined government program. The important thing is that such negotiations

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always take place in broad daylight, with no taint of the politics of self-interest. What you cannot do is harbor the illusion, or mislead the country into imagining, that the country can be governed without a solid basis of support in the Congress if it is to ensure that the changes Brazil is clamoring for are made. In discharging my duties as president, I will put into practice the skill that represents my principal experience as a public figure and politician: looking for common ground and understanding without ignoring the strength and legitimacy of interests, and building consensuses—negotiating and governing in the name of the common interest, not on behalf of this or that sector.

[Lula] We are not ruling out the possibility of getting a majority in Congress. None of our legislators have been involved in any of the national scandals, like the budget or numbers-game scandals. We have credibility. There will probably be a big turnover in both houses. If we do not get a majority, we will talk politics to get the support from other groups for our plans. We are proposing urgent measures that will surely enjoy the support of the public and of a lot of legislators from other parties.

[JORNAL DO BRASIL] What would be the limits of an alliances policy during your administration, if you are elected?

[Cardoso] The limit is one of ethics and the dignified pursuit of policies in defense of the nation's interest. Stitching together alliances in a country like ours is no easy task, but to assume this will necessarily translate into backstage deals is an intolerable distortion of the situation.

[Lula] The frame of reference for potential alliances will be ad hoc topics from the political agenda—a natural rite of legislative life. However, they are never based on filling government jobs or the illegal and immoral distribution of favors. We will talk about possible accords, but without deviating from the platform of the Brazilian Popular Front for Citizenship, which preaches social justice and a comprehensive reform of the State.

Navy Research Center Dismisses Nuclear Workers

PY2809025594 Sao Paulo AGENCIA ESTADO in Portuguese 2029 GMT 27 Sep 94

[Report by Jose Maria Tomazela]

[Text] Sorocaba, 27 Sep (AE)—Some 300 technicians and engineers who work at the Aramar Navy Research Center in Ipero, 135 km from Sao Paulo, were today notified of their dismissal. This is the largest mass dismissal since the Aramar center began to operate in 1986. The Navy enriches uranium at this center and has developed the nuclear submarine project there. Aramar, which has absorbed over $700 million in funding, is the main axis of the Brazilian nuclear program.

Most of the dismissed technicians were contracted by Engevix, an enterprise that renders services to the Navy. Even though the employer is Engevix, the technicians are directly subordinated to the chiefs of the civil and military sections of Aramar. Approximately 60 percent of the technicians worked in the uranium enrichment units, the center's most critical sector, under control of the International Atomic Energy Agency (IAEA), which is headquartered in Geneva, Switzerland. With the dismissals the center, which in the past had 1,700 employees, will now have some 600.

The dismissal occurred one month after Vice Admiral Arlindo Vianna Filho took over as president of the Special Projects Coordinating Board (Copesp), the Navy organ that runs Aramar. Vianna Filho replaced Vice Admiral Othon Luis Pinheiro da Silva, who was sent into retirement. Vianna Filho could not be found at Copesp today. Sea and War Captain Marco Polo, the managerial superintendent of Copesp, confirmed the dismissals, but said he was not authorized to give further details.

Commentary Views 'Cynicism' of U.S. Interventions

PY2709190394 Sao Paulo FOLHA DE SAO PAULO in Portuguese 24 Sep 94 Section 4 p 2

[By Walter Ceneviva: "It May Not Be Haiti Tomorrow"]

[Text] U.S. Marines have once again taken control over Haiti. The week in which the Caribbean nation again fell under the domination of U.S. troops has historical significance: On 22 September 1957, the first Duvalier (who will be recalled in history as "Papa Doc") installed his long dictatorship that was maintained by the "Tonton Macoutes." It was a dictatorship in which all human rights were violated, but which did not awaken U.S. sensibility because the dictator was "one of us."

Since the current general is not "one of us," democracy and human rights have become relevant, which led to a repeat of the recent military operations in Panama and Grenada. The cynicism of official apologies has served to hide one fact that has been confirmed at each crisis in the region: the Caribbean—understandably—is under U.S. control (Cuba is a provisional exception).

There seems to be a byproduct of this political fact: international law is full of farce and hypocritical sides. It is juridical fiction because coercion—from the viewpoint of true law—is not exerted under rules of equality but under the rule of the strongest. The norms and treaties of international law are valid if they are advantageous to the more powerful nations, but such norms and treaties are disregarded if other interests are at stake.

This must have been the reason for another event that occurred this week. Paulo Flecha de Lima, the Brazilian ambassador to the United States, sent a letter to a Washington journalist, who in a press commentary suggested that Bill Clinton may also send his Marines to Brazil, because here—like in Haiti—human rights are disregarded. The ambassador would not have wasted his precious time if he had considered that "international law" is not a law. It is a useful set of norms that regulate

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many types of relations between nations. In routine situations, international law seems to be a law, but it is not such.

Consider the journalist's diatribe that provoked Flecha de Lima. The economic and strategic interests commonly shared by Brazil and the United States have reached such a level that Brazil has no need to accept any position adopted by the United States. Very sensibly, Brazil has confirmed its position against military interventions. This is no reason to accept any superpower's decision to cynically authorize large interventions in nations like the PRC or Brazil, irrespective of their military forces.

Haiti has a little more that one tenth of the Sao Paulo State territory and some 6.8 million inhabitants—nearly 250 per square km—who live mainly on agriculture (sugar, potatoes, and, obviously, bananas). Some 58 percent of Haiti's labor force is concentrated in the countryside. Haiti has suffered successive interventions by the U.S. Navy. They occurred between July 1915 and August 1934 in an attempt to protect businesses and agricultural interests and to maintain the defense area around the Panama Canal. During this period, the black population was subjected to such severe treatment that, until now, there are old hatreds. Misery is great and widespread but the inflow of (U.S. taxpayers') dollars may improve the overall conditions.

Brazil is less concerned about the integrity of its territory than with the inadequacy of international law. Poet Caetano Veloso is right when he says: "Think about Haiti, pray for Haiti, it is Haiti today, but it may not be Haiti tomorrow."

Changing Relations With Argentina Examined

PY2809144894 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Sep 94 p A-3

[From the "Notes and Information" page: "Brazilian-Argentine Relations"]

[Text] Despite the truism to the effect that states have no memory, it is not difficult to recall that Argentina only became a member of the United Nations thanks to the insistence with which Brazil defended the thesis of hemispheric unity and solidarity before the United States, which was still hurt by the way that Buenos Aires behaved during World War II. And it is also easy to recall that the sympathy the Argentine Government had for the Reich and U.S. pressure found a point of balance in the neutrality of Buenos Aires. But this is not important anymore, except to demonstrate that everything changes. Today Argentina is blocking in every possible way all of Brazil's initiatives to favorably increase the number of UN Security Council members, and Buenos Aires is practicing a policy of alignment with the United States that could be termed as unconditional if it were not for the occasional domestic resistance to the president's obsequious exaggerations, as was the case with the recent promise of troops for the invasion of Haiti.

Gratitude from states or governments cannot be expected, but at times the people succumb to this type of weakness that only moralists classify as a virtue. A demonstration of and the defense of their interests is what should be expected from states and governments. And Argentina has unencumbered itself very well from these functions.

Argentine diplomacy always has well to the fore the conditions of the Cavallo plan, which some 2 years ago put the peso on an equal standing with the dollar. During this period, accumulated inflation amounted to some 56 percent, and it is embedded in the false parity of the currency; in addition, a fiscal crisis was also unleashed with the sale of state assets and with the income of foreign exchange. The privatization of state enterprises is nearly exhausted and Argentine stability depends on a constant flow of dollars. The obligation, which is obsessively pursued by the Foreign Ministry, is to create the conditions so that nothing will disturb the atmosphere of confidence with regard to Argentina that has been created in the United States. The strategy of Buenos Aires serves this political objective.

Argentina is doing a balancing act between the United States and Mercosur [Common Market of the South]. Argentina has no doubts where the United States and Brazil are concerned. It bends according to how the wind blows, knowing that it can count on the debilities of Brazilian diplomacy in order to expand the angles afterward. And, if there is a period of doldrums, it makes complicated calculations to anticipate the line it will take, but always taking into account the need to present itself as the preferential ally of the United States in the region.

During the Rio Group meeting that has just concluded, Argentina thoroughly explored the opportunities that it perceives in the fact that the existence of Mercosur does not mean that there has to be any type of agreement in the foreign policies of its four partners. In this respect it has an advantage over Brazil, whose representatives frequently assume positions that seem to suggest that the policies of the Mercosur member countries should be coordinated and directed toward the same interests.

And, what did Argentina do? During the drafting of the final document of the 14 heads of state, it simply blocked the formula which Brazil wanted to use in dealing with the question of the expansion and democratization of the UN Security Council. Some things were made clear from the discussion of words: The fact that Argentina knows that it cannot obtain a permanent seat on the Security Council, that it wants a "limited" reform that barely acknowledges the elevation of Japan and Germany to the position of powers, and that it denies solidarity with Brazil in its bid to put this national aspiration on another level that has very high possibilities.

On not giving room to Brazil's aspirations, the Argentine Government acts as if it is again experiencing the tense years of the 1970's. It is as if Buenos Aires particularly

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does not want to acknowledge the expansive atmosphere that disarmed the antagonisms that marked the past and brought to the region an atmosphere of peace and cooperation without precedent in the past 150 years. There is in Argentina's position an alarming parallelism with the attitude of certain sectors of the foreign policy establishment [preceding word in English] of the United States, which, during the last year of the Bush administration, tried to mount a strategy to stop the emergence of intermediate powers that could reduce the presence and power of the United States on the international scene. The comparison would seem bad were it not for the fact that Buenos Aires, in its exclusively political relations with Brazil, continues to play a game that is negative, discordant, and incompatible with the stage of cooperation that we have achieved at the economic level. It is now very necessary for Itamaraty to understand that if San Martin Palace continues with this negative strategy that endangers Brazil's national interests and that only responds to the moody fears of the Argentine leaders, then it is because relations between the two countries are not as presupposed in Brasilia.

Chile

Government To Send 50 Policemen to Haiti

PY2809194094 Madrid EFE in Spanish 1641 GMT 28 Sep 94

[Text] Santiago, 28 Sep (EFE)—According to reports published today in Santiago, the Chilean commitment to help in the restoration of democracy in Haiti will materialize through the sending of 50 Chilean policemen to Haiti and the implementation of an integral social development program.

The newspaper LA EPOCA reported today that the majority of the Chilean contingent will reportedly be comprised of Carabineros militarized police and a civilian Investigative Police group. They will be in charge of supplying technical assistance to the new Haitian police corps.

According to Chilean Foreign Minister Jose Miguel Insulza, the sending of the Chilean police force will take place after the Haitian constitutional government assumes duties.

During his speech to the UN General Assembly yesterday, Insulza reasserted that Chile will fulfill its commitment of participating in the rebuilding of Haiti "once institutional order is restored."

The Eduardo Frei administration has committed its aid to reorganizing the Haitian judicial system and to the health, development, and education areas.

To this effect, the Planning Ministry is drafting a special program while the presidency has appointed Regional Development Under Secretary Jorge Rodriguez to attend all international meetings where development programs for Haiti are being discussed.

Insulza Proposes Council Candidacy in UN Speech

PY2809192194 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 28 Sep 94

[Text] Speaking today before the UN General Assembly, Foreign Minister Jose Miguel Insulza proposed Chile's candidacy to the UN Security Council. Insulza also stressed the importance of finding solutions to international socioeconomic problems. The following is a report by our reporter Monica Perez:

[Begin recording] [Perez] Foreign Minister Jose Miguel Insulza today delivered a 30-minute speech before the UN General Assembly. Insulza's UN speech centered on the need to resolve the serious socioeconomic problems affecting humanity, which are the origin of many current international conflicts.

[Insulza, in progress] Our immediate concern to maintain peace and security, however, should not stop us from getting acquainted with and attacking the causes of these conflicts. Poverty, the inequality of nations and individuals, environmental pollution, unemployment, illiteracy, unbridled population growth, rampant immigration, and discrimination of women and youths constitute factors of conflict today as important as military proliferation or ideological confrontation.

[Perez] In this regard, Insulza said that the Social Development Summit to be held in Copenhagen in March 1995 should adopt an overall commitment to eradicate extreme poverty at the international level through the adoption of a specific and effective plan.

On this occasion, Foreign Minister Insulza also relaunched Chile's candidacy to the UN Security Council for the 1996-97 term. Chile is aspiring to one of the two seats for Latin American nonpermanent members which are currently held by Argentina and Brazil. This issue will be voted on by the UN General Assembly next year.

[Insulza] Chile has been engaged in international security and peace matters for some time now. In view of this, we believe that Chile today is able to make a contribution in this regard.

[Perez] Does Argentina support the Chilean candidacy?

[Argentine Foreign Minister Guido Di Tella] Truthfully I can say that we support all Chilean proposals. We have not yet discussed this issue with Chile but we will do so and I am certain we will be able to achieve an agreement. I would be delighted if Chile is able to achieve its objective.

[Perez] Another attraction of these UN meetings is the bilateral meetings held by the foreign ministers. During his one-week stay in New York, Foreign Minister Insulza is scheduled to hold 18 bilateral meetings, the most interesting of which is probably his meeting tomorrow with the U.S. Assistant Secretary for Inter-American

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Affairs Alexander Watson, with whom he will probably discuss the free trade treaty with the United States. [end recording]

National Sovereignty Over Coastal Waters Upheld

PY2909013994 Santiago EL MERCURIO in Spanish 13 Sep 94 p C4

[Text] The Chilean Government wants the international regulation on fishing on the high seas to be based on aspects of the Law of the Sea Convention, which is to be implemented at the end of this year and includes, among other things, the principle of the coastal state's jurisdiction over the exclusive economic zone, granting it sovereignty to administrate the maritime resources within the zone of 200 maritime miles.

According to Pablo Cabrera, Foreign Ministry special political affairs director, Chile wants coastal countries to have the right to handle and administer the high seas resources, and wants these rights and preservation measures to be not less than those established when the exclusive economic zone was created.

Cabrera said that another proposal is that in order to make the rules on fishing on the high seas more effective, the coastal states should exercise control in ensuring that the established rules are respected.

According to Cabrera, the third main point of the Chilean proposal is that the solution of controversies must refer to the handling of species on the high seas, and not to issues that develop within the exclusive economic zone.

The Law of the Sea Convention will be implemented on 19 November, and Chile is already in the process of ratifying this international tool. The executive branch is expected to submit the respective message to Congress within the next two weeks.

World discussions on the mentioned convention lasted eight years. One of its main aspects, in which Chile had significant participation, is the acknowledgement of the 200 mile zone, that is, the exclusive economic zone.

During the Earth Summit that took place in Rio de Janeiro, Brazil, in 1992, it was decided that fishing on the high seas, that is, beyond the 200 mile zone, was one of the subjects that had to be acknowledged and discussed by every country.

For this purpose a special UN conference was summoned. The conference, which was divided into four sessions, ended last month without a definitive agreement. It was decided to ask the UN General Assembly, which begins late this month, to extend the mentioned conference.

The crisis affecting fishing levels, the depletion of some species, and the determination to attain sustainable development of maritime resources prompted the international community to think about the need to regulate fishing on the high seas, a zone which is regarded as the patrimony of mankind.

The meetings ended with a text that does not satisfy all the involved parties.

According to Cabrera, the text goes beyond what is established in the Law of the Sea Convention, with regard to not respecting the rights the coastal countries have over their exclusive economic zone.

The international debate puts the coastal states, which defend their sovereignty over the 200 mile zone, in confrontation with countries that fish far from their home ports, and the document drafted in August in New York tries to make the latter's interests prevail over those of the former.

Cabrera noted that this debate takes place at a special moment, when the Law of the Sea Convention is about to go into force. He commented: "This convention is one of the most significant and greatest efforts ever made to codify and develop international law." He added that it is a comprehensive accord that includes the right to sovereignty, exploitation, exploration, preservation, administration, investigation, and protection of the natural resources of the sea.

Cabrera said countries such as Chile regard as "unacceptable" the attempt to negotiate a binding treaty that grants rights to countries that fish far from their home ports in the exclusive economic zone, if the Sea Convention already grants the coastal states sovereignty in that zone.

The three following points are what Chile deems important in this debate:

1. Solution of controversies: Chile believes that there cannot be a mechanism to resolve conflicts regarding issues that surface within the zone under the sovereignty of the coastal states.

2. Control and surveillance: Chile maintains that, in order to make regulations on fishing on the high seas effective, the coastal state must exercise control, while the countries that fish far from their home ports maintain that the responsibility is exclusively that of the country under whose flag the ship fishing in the zone sails.

3. Handling of resources within the 200 mile zone: Chile believes that it is the coastal state's prerogative, while the countries that fish far from their home ports maintain that a measure to regulate this subject must be drafted.

Colombia

ELN Clandestine Radio Outlines Peace Talk Terms

PA2809212994 Santa Fe de Bogota EL TIEMPO in Spanish 22 Sep 94 p 9A

[Report by Clara Elvira Ospina]

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[Text] As far as the ELN [Army of National Liberation] is concerned, negotiations with the government do not imply a unilateral truce or the group's disarming or demobilization.

These are the three premises the ELN National Directorate is maintaining as a condition to begin talks with the executive branch.

Even though it has not officially informed the government, the ELN has already replied to the question the country is asking: What do the guerrillas require for the resumption of peace talks in the future? Now, the ELN has answered this question through its "official" media—Radio Patria Libre.

A clandestine broadcast intercepted by the Army three weeks ago, which apparently was transmitted from the northeastern region of the nation, sums up the ELN National Directorate's plan of action regarding what it calls "negotiations."

Radio Patria Libre's broadcast, aired between 0630 and 0700 [1130 and 1200 GMT], outlines what the ELN's five-point "Political Declaration" will be based on during future talks. These points refer to the humanization of the conflict, the search for alternatives to the socioeconomic crisis, and the need to "jointly review the country's problems and economic proposals."

The National Directorate's communique reiterates criticism of the former administration's peace policy, and it derides the former government's inability to keep its promise to wipe out the guerrillas within 18 months.

Also, the guerrillas question the projects to privatize TELECOM [National Enterprise for Telecommunications] and ECOPETROL [Colombian Petroleum Enterprise], and they add that subversive groups are still capable of achieving their objectives.

The Principles

The guerrillas also delve into the issues. In principle, they discuss the lack of confidence regarding the administration of President Samper, and they say he is continuing "modernism and bureaucracy." The ELN, therefore, hopes to learn of his peace policy.

The message says the rebels should follow the example of the three men who comprise the nation's collective moral conscience: Francisco Galan [nom de guerre of ELN Commander Gerardo Bermudez Sanchez], Francisco Caraballo [leader of a dissident Popular Liberation Army group], and Felipe Torres [nom de guerre of high-ranking ELN leader Carlos Arturo Velandia]. Regarding the negotiations, the message makes it clear that all of the directives contained in the book *People's Power and New Government*, which was the final document of the Second ELN Congress in 1989, remain in effect.

That document brings together the principles of the negotiations and defines two parts of the process: The first deals with searching for general solutions, while the second refers to secondary negotiations that focus on the humanization of the war and the nationalization of petroleum.

The first phase—general solutions—has four conditions: that a new government be installed, that the current Army be eliminated and replaced by a people's army; that the welfare of the majority be sought; and that the nation end any kind of relationship with the United States.

The document admits that negotiations are used to legitimize achievements in the military field, and it argues that to obtain other benefits, certain concessions can be made. Such concessions range from temporary cease-fires in certain parts of the country to limiting the use of some weapons that have been criticized by the public.

The communique insists that, without capitulating and without surrendering their weapons, the guerrillas will continue to seek political solutions. The communique also notes, however, that the guerrillas' vocabulary does not include the words demobilization or surrender.

The message was brief and yet revealing. If nothing else, it disclosed the thinking of the ELN Directorate.

Now, it remains to be seen how the government will meet the ELN's "conditions" in light of the government's announced intention not to resume negotiations without objectives—that is, not to return to a dialogue simply for the sake of dialogue.

Cali Residents Gauge Impact of Drug Trade

94WD0574A Cali EL PAIS in Spanish 15 Aug 94 p A-3

[Text] Sixty-five percent of Cali residents want drug traffickers in the city to be prosecuted.

Only 28 percent believe that the best solution to the problem is to negotiate with them, and only three percent advocate declaring an all-out war on them.

Nevertheless, 53 percent of the residents of the capital of Valle del Cauca believe that there will be an all-out war on the drug cartels in this city, according to the results of the most recent survey conducted by EL PAIS and the National Consulting Center (CNC). Only 37 percent rule out that possibility.

In addition, an overwhelming majority, 80 percent, responded that the drug traffickers' activities have harmed Cali; and 97 percent consider it necessary to launch an international campaign to salvage the city's image.

The local media have been freed of any blame; when asked whether the media's stance on drug traffickers has been appropriate, 53 percent of the 150 respondents in the survey stated that it has, compared to 38 percent declaring that it has been inappropriate.

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A detailed review of the opinion poll reveals that two-thirds of the interviewees favor the voluntary surrender of the drug traffickers, and about one-third favor negotiation.

The greatest support for voluntary surrender as the solution to the problem comes from the upper stratum of society. This support declines significantly, to 67 percent in the middle class and 60 percent (five points below the average) in the lower class, to which 70 of the 150 respondents belong.

It is the middle class that expresses the most support for negotiation, with 31 percent. It is followed by the lower class, with 21 percent, and the upper class, with 19 percent.

Respondents aged 18 to 24 and those aged 40 to 54 were the most likely to support negotiations: 31 and 32 percent.

The alternative of war was chosen by only 6 percent of the interviewees in the lower class. In the middle and upper classes, no one would hear of the idea.

On the other hand, women are the most likely to call for the surrender of the drug traffickers, with 77 percent, as opposed to 53 percent among men.

In contrast, 36 percent of men favor negotiating with the drug traffickers, while only 21 percent of women believe in that option. To be sure, among both men and women there is strong opposition to the war alternative: Not a single woman responded favorably, and only six men chose that possibility.

Fear of War

There is a great disparity between Cali residents' desires and their expectations regarding drug trafficking, however.

There is an obvious dread of war, with 53 percent saying they fear such a possibility, but only 37 percent ruling it out. Only 10 percent said they did not know or declined to answer the question.

Women are more likely to fear war than men (57 percent and 48 percent, respectively).

By strata, the strongest expectations can be found in the upper class, with 62 percent saying there will be a confrontation. Forty-eight percent of the middle-class respondents and 54 percent of the lower-class ones expressed the same opinion.

The possibility of war appears more likely to young people: 58 percent of those aged 18 to 24 believe it will happen. Similarly, 54 percent of those aged 25 to 39 and 50 percent of those aged 40 to 54 expressed that belief.

Less certain of such a possibility are those between the ages of 54 and 64 [as published], 46 percent of whom declined to answer the question, and 36 percent of whom stated a war would take place in this city.

Cali Has Suffered Damage

Have drug trafficking activities done damage to Cali? The respondents, across the board, were very consistent in responding to this question, regardless of class, sex, or age.

Women were the most emphatic in saying that damage has been done, with 83 percent saying yes and 9 percent no. Among men, 77 percent responded yes and 20 percent no.

By class, the results were: 83 percent in the lower class, 75 percent in the upper class, and 70 percent in the middle class responding yes. The figures for those who answered no were 13 percent, 19 percent, and 16 percent, respectively.

One thing there is little dispute about is the need for an international campaign to salvage the city's image, which received overwhelming support.

By class, the answers ranged from 94 percent in the upper class to 99 percent in the lower class. By sex, the range was from 96 percent among women to 99 percent among men.

Technical Data

Total number surveyed: 150 (73 men and 77 women; 16 in the upper class, 64 in the middle class, and 70 in the lower class). Age ranges: 18-24, 45 respondents; 25-39, 56 respondents; 40-54, 38 respondents; 54-65, 11 respondents. The survey was conducted on 9 August.

[Box, p A-3]

Media Vindicated

As for the mass media, the EL PAIS-CNC poll revealed support for their position on drug trafficking, especially in the middle class (62 percent).

That support is less strong in the upper class, with 55 percent, and relatively weak in the lower-class, where 52 percent of the respondents said the media's position is inappropriate.

Between men and women, opinion on this matter is about the same: 53 percent of women believe that the media have acted appropriately with respect to drug traffickers, and 52 percent of men share that opinion.

By age, the media's stance is characterized as appropriate by 64 percent of those aged 54 to 65. That view is shared by close to 53 percent of those aged 18 to 54.

Drug Trade, Deaths Said Possibly Linked

94WD0574Y Cali EL PAIS in Spanish 16 Aug 94 p A-11

[Text] Communications companies in this city and persons associated with them are being investigated by the Public Prosecutor's Office on suspicion of collaborating with the so-called Cali drug cartel.

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This was revealed yesterday when it was announced that people directly or indirectly involved with some companies in that sector have been killed in recent months.

One story circulating in the capital of the Republic indicates that authorities are investigating the possibility that the murders were ordered by drug traffickers to silence people who had collaborated with them in tapping telephones, or people who might be helping to carry out telephone espionage.

The Cali Public Prosecutor's Office stated laconically that this type of investigation is part of confidential pre-trial proceedings, and it refused to confirm or deny the story about the murders.

Valle del Cauca Governor Carlos Holguin Sardi, in turn, said he knew nothing about any such killings, and stated that nothing of the sort was mentioned to him at any security council meeting.

"No one from Telecom or Emcali has commented about anything to me; no officer involved in the security councils has informed me of anything. I am awaiting reports so that I will know what is happening," said Holguin Sardi.

Authorities have indicated that the drug cartels are using communications companies as bases for their surveillance systems, and that they have a well-established infrastructure for engaging in espionage or for thwarting any monitoring of their "business" phone calls.

The purpose of the murders was reportedly to eliminate witnesses and to block the flow of information to state law enforcement agencies, which have been striving in vain for years to capture the cartel's leaders.

The scandal that came to light in connection with the so-called "narcocassettes," which featured phone conversations between journalist Alberto Giraldo and the Rodriguez Orejuela brothers (who have been fingered by the DEA [Drug Enforcement Administration] as leaders of the so-called Cali Cartel), may also have prompted some actions of this sort, according to the hypothesis that was divulged yesterday.

Several years ago, a very similar situation occurred. Engineers and technicians working for the telephone department of Emcali were "kidnapped" by armed men, and no one ever heard from them again. Others were simply gunned down by hired killers in drive-by shootings.

At the time, the authorities said they assumed that the perpetrators were linked to drug trafficking, but their investigations reached a dead end. There were no arrests.

Yesterday, another rumor was circulating that alleged drug traffickers were also waging a murder campaign against bricklayers who have built tunnels or hideaways for them.

This past July, 171 persons working in the construction sector in Cali met violent deaths, according to figures compiled by the Office of the Municipal Spokesperson.

Recent Search Bloc Discoveries Reported in Cali

PA2809195494 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 28 Sep 94

[From the "Seven O'Clock Newscast"]

[Text] Well-informed sources have revealed details of the most recent discoveries by the Search Bloc in Cali two days after the broadcast in the United States of a CNN program on the Cali Cartel. Here is our confidential report:

[Begin unidentified reporter recording] During its operations, the Bloc reportedly found what could be called a list of politicians in the service of the Cali Cartel. Computers, which were seized along with money that was apparently part of the payoffs seized in that city, contained lists with the first names and complete surnames of 20 politicians from several regions around the country.

The Search Bloc recently placed these lists at the disposal of the Prosecutor General's Office. But this office is maintaining absolute secrecy, because a list by itself is not enough evidence for justice.

The Search Bloc has so far carried out 195 raids in the capital of Valle del Cauca Department, during which it obtained important information or captured people connected to the Cartel.

The Bloc believes that it nearly caught Miguel Rodriguez Orejuela for the second time on 25 June. In the evening of that day, the Special Joint Command occupied the Villa Carolina Estate, along the road to Buenaventura and a few kilometers from Cali. The Search Bloc found evidence of the presence of Miguel Rodriguez Orejuela in that place. He had reportedly fled two hours earlier along with five or six others. [end recording]

Paraguay

Wasmosy Says 'Total Harmony' Reigns in Military

PY2809194694 Asuncion RPC Television Network in Spanish 1600 GMT 28 Sep 94

[Excerpt] President Juan Carlos Wasmosy, Armed Forces commander in chief, today talked about the recent removals and changes in the military following a ceremony at the Quartermaster General.

Those affected by the removals and changes at the Armed Forces commented on the new situation. General Pedro Conception Ocampos, who was not present at the ceremony, had expressed surprise at President Wasmosy's decision. Asked about the matter, Wasmosy said.

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[Begin Wasmosy recording] I do not have to consult with anyone to implement changes in the Armed Forces. I called Admiral Eduardo Gonzalez Petit at 0600. I told him I wanted to make those changes. They are a routine matter. What happens is that changes are usually made in December. In this case the officer who is sent into retirement finds out that he is out of the military all of a sudden. I think it is preferable for all those officers who are at the disposal of the commander in chief to be aware that they might be sent into retirement. This is not always possible, but in this case they have two or three months to prepare for adjustment to civilian life. The promotions board will determine if they retire. [end recording]

The president was also asked about alleged tensions between the different Armed Forces branches.

[Begin Wasmosy recording] There is total harmony. Armed Forces' branches have never before had—and I can brag about this as a civilian president—such a balanced relationship. I can show you the Armed Forces distribution chart at Government Palace. You can see there that infantry has two Army corps, cavalry has one corp, and the transmission, engineering, and quartermaster divisions are all balanced. No one can say that today we have, as in the past, the preeminence of one branch over another. [end recording] [passage omitted]

Peru

Economy Minister Leaves for U.S., Europe

PY2809205994 Madrid EFE in Spanish 1724 GMT 28 Sep 94

[Text] Lima, 28 Sep (EFE)—Peruvian Economy Minister Jorge Camet announced today that Peru will begin negotiations next week with international banks to renegotiate its $6.5 billion debt.

Camet left today for the United States where he will attend the opening session of the negotiations with the steering committee headed by Citibank. He is also scheduled to attend the Annual Joint Assembly of the IMF and World Bank in Madrid.

Peru reassumed negotiations with the steering committee last April, 10 years after suspending payments and all contacts with it. The negotiations failed over the enforcement of a Peruvian law which denies a debt contracted with two U.S. banks.

This law was annulled last week by the Peruvian Congress, leaving the door open for negotiations.

The acknowledged debt, which totals $72 million, was contracted in 1983 with the Chemical Bank and American Express to finance the purchase of two merchant ships which were never used because they were in terrible condition.

The congressional investigation in the past few months was unable to prove if the banks were responsible for this purchase, and so the debt should be paid.

Camet said negotiations with international banks "will be long and hard." Peru seeks agreement on the basis of the Brady Plan, condoning a large part of its debt in exchange for a small payment.

Before departing, Camet said Peru "has made great efforts to meet its obligations." He said: "There should now be reciprocity by our creditors, who should offer us exceptional conditions."

Camet added: "If these conditions are not agreed, no agreement will be achieved."

On 23 September, Steering Committee Chairman William Rhodes said he wanted an agreement with Peru "within six months," under "similar conditions to those granted to Ecuador" which obtained a 45 percent reduction of its debt.

Economic circles are saying that the Peruvian Government hopes, however, to obtain at least a 50 percent discount.

They state that Peru is in a "good position" to obtain a better deal than Ecuador because "it has scrupulously upheld its commitments with the international financing system and surpassed the goals agreed with the IMF."

Experts believe other important factors favor Peru: The fulfillment of Paris Club agreements resulted in the condoning of debts by several Paris Club members, and the fact that Peru has the highest economic growth in Latin America.

An eventual agreement with international banks would mean the full reinsertion of Peru in the international financial system and the culmination of a process that began in 1990.

Peru severed relations with the IMF and World Bank in 1985 after then President Alan Garcia unilaterally decided to limit payments on the foreign debt and to begin an ideological war against the IMF.

Nonrepentant 'Terrorists' Face 'Drastic' Laws

PY2809233994 Lima EL COMERCIO in Spanish 10 Sep 94 p A11

[Excerpts] Trujillo, 9 Sep—Interior Minister Juan Briones Davila told journalists today: "4,000 terrorists have so far benefited from the Repentance Law. Of these, 1,500 are high-ranking terrorists."

The minister said this after dedicating the new La Libertad Migration and Naturalization Office on block 12 of Larco Avenue.

The minister arrived in Trujillo at 1030 accompanied by National Police Director General Victor Alva Plasencia and Migrations and Naturalization Director Jose Matayoshi Matayoshi.

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Minister Briones said the few terrorists who have not benefited from the Repentance Law "still have time to do so. The laws for those who do not repent are drastic." [passage omitted]

He said arrangements are being made nationwide, especially in the few remaining red zones, to guarantee the upcoming elections. [passage omitted]

APRA Militants in Interior To Resign in Protest

PY2809234094 Lima EXPRESO in Spanish 10 Sep 94 p A4

[Excerpt] APRA [American Popular Revolutionary Alliance] militants from various areas of the interior are getting ready to resign en masse to protest the election of Agustin Mantilla as secretary general of the APRA National Executive Committee (CEN), "an organization which has been formed almost entirely of people with no known partisan background and who were also elected in an irregular manner."

This was disclosed yesterday by former APRA Deputy Oscar Zubizarreta Aranda, who resigned yesterday as an APRA member together with former Senator Pedro Yugar Gallegos, as they said they were "sick of witnessing so much immorality and corruption."

Zubizarreta said that it "is not fair that a party that has built its history with courage, honesty, and true democracy has now become just another of Alan Garcia's businesses, with Agustin Mantilla as president of the executive committee and Jorge del Castillo as legal adviser."

"This is the feeling of the current APRA militants," stated Zubizarreta, after saying that the APRA is no longer a party "but a way of making money."

He commented that at a nationwide level, the APRA militants have voiced their disagreement with what is happening at all APRA levels and have decided to leave "because it is no longer the party that Haya de la Torre founded and created, but only an appendix of Alan Garcia's personal ambitions." [passage omitted]

Uruguay

Highlights of President's Speech at UN

PY2809154594 Madrid EFE in Spanish 1734 GMT 27 Sep 94

[Text] United Nations, 27 Sep (EFE)—Addressing the UN General Assembly on 27 September, Uruguayan President Luis Alberto Lacalle stated that "acts of international terrorism constitute serious common crimes," which have to be "efficiently and vigorously" combated.

During a speech delivered before the 49th UN General Assembly, Lacalle further stated that regardless of "the political pretexts that are used," terrorism "goes against the most fundamental principles of individual and collective security."

The Uruguayan president was of the view that terrorism constitutes "a flagrant violation" of human rights, and therefore must be "combated at the domestic and international levels with proper and stringent measures." He voiced his concern about countries' failure to implement practical measures to address this issue.

To that effect, Lacalle mentioned some possible actions like "the faithful compliance with extradition regulations" pursuant to the law, which are "a clear expression of nations' political will."

Not long ago, Uruguayan judges granted the extradition of three alleged members of the ETA [Basque Fatherland and Liberty] terrorist group to Spain, which sparked off violent disturbances in the city of Montevideo and quite a political controversy in Uruguay.

With regard to Cuba—an issue that was broached by nearly all the Latin American representatives who have spoken thus far at the United Nations—Lacalle said that an "unambiguous" stance should be adopted on the economic embargo imposed on Cuba.

The Uruguayan head of state underscored that "our country, true to its political principles, will support a solution that stresses the need to eliminate the unilateral implementation of economic measures against another nation for political ends."

In a speech crammed with legal arguments, Lacalle pleaded for strict compliance with the UN Charter, arguing that this is the best safeguard small countries have to maintain their independence and sovereignty.

Concerning the reform of the United Nations, the Uruguayan president said that his country will endorse the enlarging of the Security Council—a minimum of 20 and a maximum of 30 members, instead of the current 15—as long as it does not endanger its efficiency and helps to achieve greater democratization and openness in its decision-making and in its balance of power.

Lacalle made it clear that his government will oppose the inclusion of new categories of members like, for example, the semi-permanent ones.

"Nevertheless, we think that such an innovation must be based on the premise that the more privileges a member has, the more obligations—including financial ones—it will have to fulfill," he stressed.

The head of state also reviewed Uruguay's contributions to the United Nations—of which it has been a member since its establishment nearly 50 years ago—and especially in peacekeeping operations.

"When taking stock of the results achieved by UN peacekeeping operations, it is possible to assert that, in general, they have greatly contributed to the solution of

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conflicts, although there are several aspects that still remain to be perfected concerning the operations," he said.

There are 950 Uruguayan servicemen participating in UN peacekeeping operations in seven countries, including India-Pakistan, Mozambique, Iraq-Kuwait, Western Sahara, Liberia, Rwanda, and Georgia.

Lacalle also called upon member countries to expeditiously ratify the Marrakech agreements so as to enable the World Trade Organization to start operations as of 1 January 1995, something that will facilitate the liberalization of world trade.

"Our country is greatly concerned about the ongoing and seemingly inexorable deterioration of the international economic situation, which is worsening day by day, bringing in its wake recession and inflation," he said.

Lacalle addressed the UN General Assembly in the morning session of its second day of deliberations together with his Honduran counterpart Carlos Roberto Reina and Argentine President Carlos Menem.

On 26 September, the Uruguayan head of state participated in a luncheon hosted by UN Secretary General Butrus Butrus-Ghali in honor of the participants in the General Assembly and in the evening he attended a reception given by U.S. President Bill Clinton.

Today, he is scheduled to meet with Citibank top-ranking managers and to attend the inauguration of an exhibition by the Uruguayan artist Juan Manuel Blanes at the Americas Society.

Venezuela

Foreign Ministry Deplores Incident at Managua Embassy

PA2909043294 Caracas EL GLOBO in Spanish 28 Sep 94 p 9

[Report by Enelcys Calderon]

[Text] The Venezuelan Foreign Ministry has deplored the incident at its embassy in Managua, which was occupied by former members of Nicaraguan security organizations to pressure the government of President Violeta Barrios de Chamorro into paying monetary compensations to the occupiers.

Roy Chaderton Matos, the Foreign Ministry's charge d'affaires, has said Venezuela "is not at all responsible for that country's internal problems."

In a communique issued by the Foreign Ministry, Chaderton Matos has said: "The forceful occupation of the embassy premises, which are protected by diplomatic immunity, to force the discussion of exclusively Nicaraguan problems is negative."

This incident is the second such one to take place at the Venezuelan Embassy in Managua, which is headed by Juan Jose Monsant.

It was reported that the problem caused by Nicaraguans who demanded compliance by Nicaraguan authorities with agreements signed during the previous peaceful occupation of the Venezuelan Embassy, agreements that allegedly have gone unfulfilled, was settled at 2300 on 26 September.

At the time of the incident, embassy personnel were transferred to the Nicaraguan Government Ministry. Ambassador Monsant returned to the embassy later and served as go-between for former combatants and government delegates. The Nicaraguans vacated the embassy and headed for the headquarters of the OAS International Support and Verification Commission.

Fund Asks Courts To Declare Aeropostal Bankrupt

PA2809194694 Caracas Union Radio Network in Spanish 2200 GMT 27 Sep 94

[Report by Zaida Pereira and Miriam Arevalo from the "Union Radio News" newscast]

[Text] The Venezuelan Investment Fund [FIV] has asked the corresponding courts to declare Aeropostal bankrupt.

In presence of congressmen, CTV [Confederation of Venezuelan Workers] leaders, and Aeropostal workers, FIV President Carlos Bernardez said the courts must decide on the evaluation of credits, sale of assets, and payment of liabilities.

[Begin Bernardez recording] We all know the company's financial situation. The Venezuelan airline Aeropostal today filed a request for bankruptcy with the competent authorities, based on the well-known fact that the company has lost its capital and has accummulated losses which the FIV can no longer assume. Effective today, the workers will get their severance pay through the sale of assets by the corresponding courts. [end recording]

This means that Aeropostal workers will be paid after the assets are sold. In that regard, workers who were present said the fight is just beginning and that they will begin action tomorrow.

Meanwhile, the Fourth District's Higher Labor Court rejected an amparo filed by the National Association of Pilots against a decision by Judge Luis Oquendo, of the First Instance Labor Court, who ratified the closing of Aeropostal.

Judge Osvaldo Paez based his decision on Clause 5, Article 6 of the Basic Law of Amparos and Constitutional Guarantees. His main argument was that the Association of Pilots appealed Judge Oquendo's decision, which is pending and must be resolved before another labor court can take any further legal action.

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[Begin Paez recording] This means that allowing the amparo would contravene the logical order that must be followed by any of the parties involved in appealing decisions. Therefore, they will have to wait for the decision from the higher court where the appeal is presented to make sure their constitutional rights are valid. [end recording]

Carlos Saenz Munoz, lawyer for the National Association of Pilots, said he will study the decision carefully.

[Begin Saenz recording] This is a higher court acting under constitutional laws. According to the Basic Amparo Law, amparos can be appealed and consultations should be answered. The second instance where decisions can be appealed is the Supreme Court of Justice. We will study the situation carefully in order to determine which action would be best from the legal standpoint for the workers, the National Association of Pilots, and the CTV: resorting to the Supreme Court of Justice to appeal the decision, or not appealing the decision and continuing our defense actions within the regular appeals procedure that, according to the judge, is still pending. [end recording]

Judge Oquendo's decision ordering the closing of Aeropostal after determining that there was no management strike is still in force until the higher court revokes or confirms the decision.

Roundup of Economic Developments

PA2809043594

[Editorial Report] The following is a compilation of reports on Venezuelan economic developments monitored through 27 September.

A 20 September, Caracas datelined item reports that Venezuelan nontraditional exports "have increased by 15.7 percent compared to 1993." The report adds "as of August, sales had reached $2.611 billion, $364 million more than the previous year." Raw materials accounted for 36.9 percent of the increase, while precious metals, transportation products, food, beverages, tobacco, and mining account for the rest. (Hamburg DPA in Spanish 2159 GMT 20 Sep 94)

The Venezuelan Council of Industry, Coindustria, forecasts that inflation will reach 84 percent by the end of 1994, "considering the trend of the last few months." In terms of foreign currency, industry has only earned somewhere between $30 million and $50 million since the end of June, which in no way means lower consumer prices for the coming months. Jorge Redmond, Coindustria president, has said the government's economic plan "overestimates the expectations of the executive branch." He does not see "how inflation for 1995 can be brought down by 25 percent or how the GNP can achieve a 2-percent increase." (Caracas ECONOMIA HOY in Spanish 21 Sep 94 p 10)

A 23 September, Caracas datelined item reports that Finance Minister Julio Sosa Rodriguez has admitted almost $3 billion have left the country's economic system, due to the wave of instability. Sosa has said "the crisis has triggered the devaluation of our currency and enormous inflation, which, in turn, has forced us to take drastic measures to regain control." The minister met in Caracas with foreign diplomats, whom he assured that "the crisis was over" and that the banks currently under government control "will be reprivatized soon." (Hamburg DPA in Spanish 2127 GMT 23 Sep 94)

The price of Venezuelan securities rose on foreign markets "due to the increasing demand and the growing trust in the government's macroeconomic plan." Luis Matos Azocar, president of the Exchange Administration Board, has made the announcement, adding the government will resume its foreign trade debt payments, because "the funds are guaranteed at the Central Bank." (Caracas EL UNIVERSAL in Spanish 23 Sep 94 p 2-1)

The price of basic commodities rose 142 percent, despite price and exchange rate controls. Salaries increased, however, by basically the same amount as the last five years, but far below the increase in the cost of living. (Caracas Union Radio Network in Spanish 0200 GMT 25 Sep 94)

Energy and Mines Minister Erwin Arrieta has announced Venezuelan oil prices are higher than expected. Crude oil prices rose approximately $0.50, registering in at an average of $13.07 a barrel on 21 September. Regarding reformulated gasoline exports, which are facing problems in the United States, Arrieta has said "it is unfortunate relations will be affected by this incident." He added, however, there will be no problem in selling Venezuelan gasoline on other markets, if the United States upholds its ban. (Caracas Union Radio Network in Spanish 0200 GMT 25 Sep 94)

Privatization continues, as Indulac, the Venezuelan Dairy Industry, has managed to sell one of its major processing plants. The transaction is worth 400 million bolivares and comes as part of the policy reforms of the Venezuelan Investment Fund. (Caracas REPORTE DE LA ECONOMIA in Spanish 25 Sep 94 p 4)

For the first time in the past four weeks, the Central Bank of Venezuela directly placed zero coupon bonds on 22 September. The bank "sold 13.345 billion bolivares, split into two issues. One is for 10.98 billion, with a 91-day maturity and an annual balanced-average yield of 30.88 percent, and the other is for 2.635 billion, with a 182-day maturity and a yield rate of 40.72 percent." The capital earnings of these securities were no different from the results attained in last Wednesday's auction, "when close to 70 billion bolivares were sold with 91- and 182-day maturities and at average yields of 30.88 and 40.73 percent, respectively." This transaction indicates the executive has no plans to replace zero coupon bonds with a less costly instrument. (Caracas REPORTE DE LA ECONOMIA in Spanish 23 Sep 94 p 14)

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Marcos Vinicio Sanchez, general area customs director, reports to the Chamber of Deputies Finance Commission that the Finance Ministry has collected more than 14.122 billion bolivares from the luxury goods sales tax and the wholesale tax at the country's various custom checkpoints from 1 August, when the taxes were established, to 16 September. (Caracas REPORTE DE LA ECONOMIA in Spanish 23 Sep 94 p 3)

The Confederation of Venezuelan Workers says it is necessary to change the relationship between active and passive interest rates; that is, the rates paid depositors and the rates charged on loans. The Central Bank of Venezuela (CTV), its president Federico Ramirez Leon says, should not establish a single rate, but rates should be allowed to fluctuate with a smaller difference between the two. "Our proposal should be listened to promptly so maximum and minimum rates can be established." He added that workers' bank accounts earn very little interest but that they are forced to pay a much higher interest rate on loans. (Caracas Union Radio Network in Spanish 2200 GMT 21 Sep 94)

Angel Serpa Mirabal, CTV director for hiring and conflicts, warns of the possibility of government workers declaring a general strike due to the government's 1-billion bolivares debt with the workers for overdue salaries and unfulfilled contract clauses. (Caracas Union Radio Network in Spanish 2200 GMT 21 Sep 94)

The Attorney General's Office is already in possession of documents detailing the alleged frauds perpetrated against the Bank of Venezuela. According to the bank president, Jacques Vera, the Bank of Venezuela's balance indicated a surplus of 6 billion bolivares as of 30 June. The truth is, however, that losses had already reached 80 billion bolivares. Jose Bouza Izquierdo is being held fully responsible for the deficit. The largest losses occurred from January to June this year as the result of loans approved, without collateral and despite the borrowers' insolvency, at the National Bank of Curacao. "I think most of the loans are lost. This is why the Deposit Guarantee and Banking Protection Fund has been supplying the money to us." (Caracas Union Radio Network in Spanish 2200 GMT 22 Sep 94)

The National Salt Enterprise, which operates in Sucre State, will reportedly be liquidated soon. Rafael Maldonado, Venezuelan Investment Fund liquidator, reports "the liquidation process was agreed on in January, and the first liquidator was appointed in April." Maldonado adds that he is the new liquidator and that he is waiting for documents authorizing him to use a $1.5-billion bolivares trust to meet the enterprise's commercial and labor obligations. "This is a unique liquidation process, because production has continued during the liquidation process." He explains the number one priority of the liquidation is the payment of workers' salaries and benefits worth approximately 1.2 billion bolivares. (Caracas Union Radio Network in Spanish 2200 GMT 22 Sep 94)

According to the Central Bank of Venezuela's most recent report, bank deposits exceed 2 trillion bolivares. After approximately 1 trillion bolivares in deposits were observed in December, the figure grew by nearly 600 million bolivares in eight months. (Caracas Union Radio Network in Spanish 2200 GMT 25 Sep 94)

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